FROST & SULLIVAN

Investment Priorities for the Workplace and Video Conferencing

IT Buyers Reveal Hybrid Workplace Plans for 2023 and Beyond

Global Information & Communications Technologies Research Team at Frost & Sullivan

The Growth Pipeline™ Company
Powering clients towards a future shaped by growth

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Research Objectives and Methodology

Research Objectives

Frost & Sullivan's 2023 information technology decision-maker (ITDM) survey was conducted to gain insights on the following end-user organizations' priorities:

- Top IT challenges
- Current unified communications and collaboration (UCC) technology adoption rates
- UCC technology investment plans
- UCC technology investment drivers
- Current and future support for evolving work styles
- Current and future use of office real estate
- Current and future UCC technology budgets
- UCC technology purchasing preferences

This analysis presents **findings related to workplace and video conferencing** and is complemented by additional survey-based reports on unified communications-as-a-service (UCaaS), communications platform-as-a-service (CPaaS), frontline solutions, and various verticals.

Source: Frost & Sullivan

Research Methodology

Sample Structure of Customer Survey

The primary purpose of Frost & Sullivan surveys is to gain a perspective on key transformational trends taking place in the workplace and their impact on the future of work, in general, and video conferencing adoption, in particular. By surveying IT/telecom decision-makers, this research sets out to understand the decision-making factors when building future office and meeting spaces.

Frost & Sullivan has conducted two global surveys of IT decision-makers to gauge hybrid work strategies and resulting investments in communications and collaboration technologies for 2023 and beyond.

	Methodology	Respondent Profile*	Sample	Fieldwork
Frost & Sullivan's 2023 IT decision-maker: Investment priorities for 2023 and beyond*	• Online survey	• IT decision-makers	• Total sample N=1,252 • Quotas by country, industry, region, and company size	• January 2023
Remote work report: Customer analytics**	• CAWI (Computer Assisted Web Interviews)	• Decision maker or influencer for selection/purchase of IT solutions supporting team communications and collaboration • Employed in an organization with up to 999 knowledge-based workers	• Total sample N=1,025 • Quotas by country, industry, and respondent role	• December 2022–January 2023

* See Appendix for details on respondent profile
** Sponsored by GoTo; see Appendix for details on respondent profile
Note: Stats from additional surveys -
1) AI and ESG stats on page 25 are from Frost & Sullivan's Global AI Survey (January 2023) and Frost & Sullivan's Annual Global Cloud Survey(October 2022) respectively.
2) The stat on video usage for contact centers on page 34 is from Frost & Sullivan's Annual Contact Center Survey (March 2023)

Source: Frost & Sullivan

Key Findings

Introduction

Trends in 2023 indicate significant and steady progress on workplace transformation. Most business leaders are re-envisioning and reshaping their business culture, the physical workplace, and technology investments. This is leading to permanent shifts in the relevance of the physical office and the role of technology in the workplace.

The next phase of re-imagining hybrid work is not without complexities. As organizations globally tackle the challenges of return to office, building a modern workplace, and meeting new employee expectations, one thing is clear—hybrid work means different things to different organizations and will continue to have many variations.

The future workplace will be shaped for each organization by three key areas:

- Focus on employee experience
- Office modernization and reimagined workspaces
- Flexible technology transformation

Frost & Sullivan's research team has been analyzing hybrid work practices and technologies that address the future of work. This workplace trends analysis report summarizes emerging hybrid work models, their impact on office space and meeting rooms, and their overall implications for businesses based on key IT decision-maker survey findings.

This report is complemented by additional IT decision-maker survey reports published by Frost & Sullivan in 2023.

Source: Frost & Sullivan

Key Findings

Business Sentiment on Remote Work is Shifting

- Remote and hybrid work have become viable modes for knowledge workers in the post-pandemic workplace. However, business sentiments on remote work continue to shift.
- 58% of the organizations surveyed currently have at least one quarter or more of their employees working remotely either full-time or on certain days of the week. The same number was 19% higher in last year's survey indicating that more employees are returning to the office.
- Among the benefits of remote work, cost reduction topped the list followed by greater employee choice. When asked about the main challenges with remote work, 80% report some level of meeting fatigue. 79% report loss of relationships with co-workers and undue distractions at home as key concerns.

Employee Experience (EX) is a Strategic Focus

- While a customer-first motto has always been the driving force for businesses, EX has come to the forefront as a strategic business goal. Today, business leaders are equally focused on employees as they are on their customers.
- When asked about the ways organizations measure the success of their digital transformation strategy, employee retention ranked as the second most important priority after new customer acquisition and at par with improving customer satisfaction.
- 85% of IT decision-makers say that attracting the best talent is a key driver for their investments in communications and collaboration solutions.
- 84% consider improving employee engagement and satisfaction as a priority and 74% reported reducing employee turnover as an important business goal. This step-change in priorities means businesses want to create better experiences for all employees, whether they are working from home or in the office.

Source: Frost & Sullivan

Key Findings (continued)

Office and Meeting Room Modernization is a Priority

- Office spaces are receiving a makeover. Workplace redesign is centered on the notion that investing in modern offices will promote a greater return to office, re-energize employees, and inspire teamwork and creativity.
- Businesses are focused on digitalizing every aspect of the physical office, from the lobby to the boardroom. Meeting rooms, in particular, are getting increasing attention. A robust 36% of the organizations report they are building additional meeting spaces to accommodate the need for more meetings between hybrid teams. This number is 2% higher than in 2021 but 12% lower than 2022, indicating a slowdown in the pace of meeting room modernization.
- With the focus on hybrid work, collaboration needs are shifting. One in three organizations is building newer types of meeting spaces like phone booths, digital hives, jump spaces, and meeting pods.
- There is greater adoption of meeting insights and analytics tools to gain a better understanding of space utilization, performance, and engagement with 76% of the decision-makers reporting that it as an important, very important or crucial capability. Emerging technologies that enhance ease of use and boost utilization include intelligent workspace reservation software, scheduling panels that display meeting room availability and room metrics, in-room digital meeting controllers for fast one-click-to-join meetings, and room sensors that ensure optimal occupancy.
- Among the challenges of remote work, meeting equity fell in ranks significantly compared to last year. A growing number of businesses are investing in new hardware, software, and furniture (V-shaped instead of round or rectangular tables) to ensure all participants, remote as well as in-person, are seen and heard.

Source: Frost & Sullivan

Key Findings (continued)

A Technology-led Transformation is Gaining Foothold and so is Technology Consolidation

- Approximately one-third of IT decision-makers report that macroeconomic and political conditions are slowing their digital technology investment plans. When asked about the outlook for IT investments over the next three years, 57% of IT decision-makers expect insufficient budgets to be a key challenge. Interestingly, when asked about the communications/collaboration investment plans for 2023, a dominant 56% report increased budgets for communications and collaboration spending.
- The top IT challenges have by and large reverted to pre-pandemic priorities, with supporting remote/hybrid work dropping down in the rank of priority compared to last year. Dealing with security concerns, solution integrations/management, and aligning technology investments with business strategies have returned as the most pressing issues this year.
- Technology adoption has accelerated notably over the past three years. 65% of the organizations report using video conferencing and 56% rely on team chat or messaging apps. A surprisingly high 38% of the businesses report using analytics and data-driven insights to improve productivity and employee engagement.
- Consolidation of communications and collaboration tools is considered important by 83% of the IT decision-makers for reasons related to simplified user experience, consolidated management, and cost savings. In 69% of the organizations, consolidation is either complete or currently in progress.
- Cloud is the way forward—49% of the organizations use video conferencing as a cloud service up from 47% last year and 42% two years back.
- Intelligent audio and smart cameras rank as the top two criteria for the selection of video conferencing devices. IT decision-makers ranked interop low when asked about the top three selection criteria for the purchase of room-based video conferencing. However, when separately asked about the importance of Interop, it is considered an important to crucial capability by 76% of the respondents.

Source: Frost & Sullivan

Emerging Workplace Trends

1

Return to Office -- a Moving Target

- The timeline for return to office varies by region and industry segment. On average 2 out of 3 organizations have put guidelines/requirements in place on the number of days to work from the office.
- Remote and hybrid work is here to stay and stands at 3-5x compared to the pre-COVID levels.

2

Office Modernization

- The restructuring of the physical office is underway. There is a strong emphasis on modernizing the workplace to incentivize employees to return to the office.
- To maintain smooth communications between home and office, technology is evolving to deliver a seamless and consistent experience across meeting rooms, desktops, and mobile devices.

3

Monetization of AI

- 2023 saw the beginning of a massive movement to harness the potential of large language models. Generative AI is already being applied to a variety of job functions.
- While AI features are being built into core collaboration products, there is a clear move toward launching new AI-based SKUs. AI and its resulting monetization are creating net new revenue opportunities.

4

Video is Table Stakes

- Penetration of video in meeting rooms is accelerating. However, currently, less than 15% of all meeting spaces are video-enabled creating big growth opportunities.
- An increased focus on EX and employee well-being is creating demand for newer video devices and software that will allow for greater inclusivity and meeting equality across all meeting spaces.

5

Pricing Evolution

- During the pandemic years, there was a significant acceleration in innovation. With a plethora of advanced capabilities available, providers are now positioning advanced feature sets as add-ons or premium licenses.
- Targeting organizations with the need for more robust feature sets, better management, and enhanced security, the premium licenses create a strong upsell opportunity for the market.

6

New Growth Vectors

- New opportunities have emerged from market adjacencies including workforce management software that improves employee productivity/well-being and workplace management solutions that offer intelligent scheduling/booking, wayfinding, and space insights.
- Other growth drivers include targeted vertical-specific expertise including solutions for frontline workers.

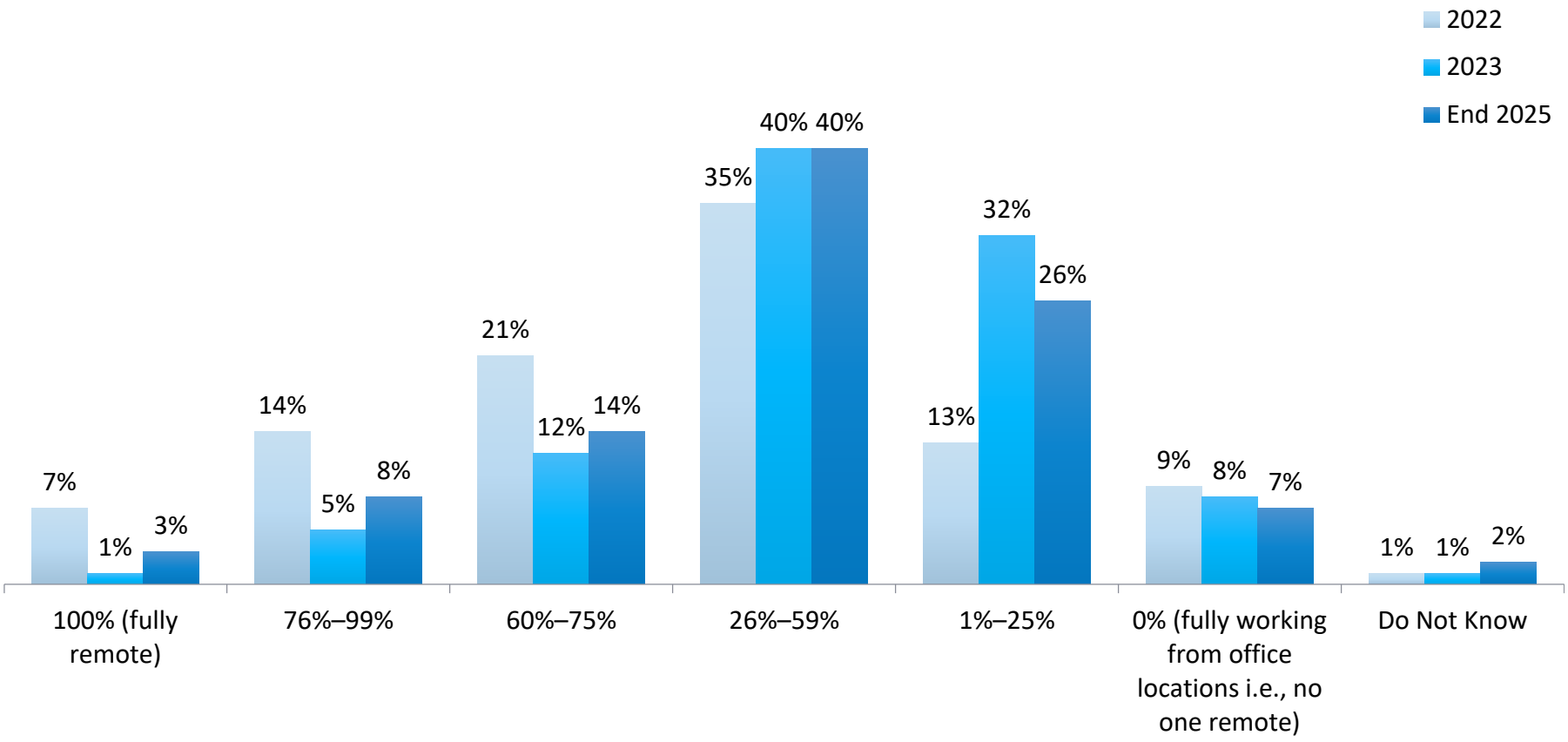
Source: Frost & Sullivan

Hybrid Work and the Return To Office

Emerging Work Models

With a focus on a return to the office, the proportion of remote work has gone down from 2022 (Mean=51.5%) to 2023 (Mean=35.41%).

Percent of Desk Workers Working Remotely, Global, 2023–2025



Q7. What percent of your desk workers are currently scheduled to work remotely at least once a week? N=1,252

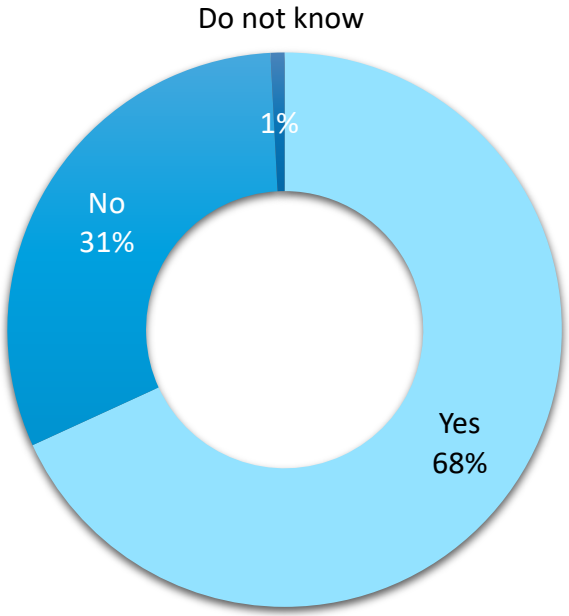
Q8. Approximately, what percent of your desk workers will be working remotely on a part-time or full-time basis in two years from now? N=1,252

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Current Work Model

In the hybrid work model, in 2 out of 3 organizations, there is a guideline/requirement regarding the number of days to work from the office. In both cases, where there is a requirement and where there is none, typically a half of the work week is spent in the office and a half at home.

Guideline/Requirement on Number Of Days Working from the Office for Hybrid Work Model
N=498



n=339

n=159

Average Number of Days Working in Office for Hybrid Work Model

With Guideline/Requirement in Place
N=339

2.64 days

Without Requirement in Place
N=159

2.64 days

Base: All respondents (N=1,000)
Q2. Which of the following best describes the current work model in your organization for knowledge-based employees?
Q5. Is there an official guideline or a requirement regarding the number of days knowledge-based employees in the hybrid work model should work from the office?
Q6. How many days do knowledge-based employees typically spend in the office in a hybrid work model in your organization?

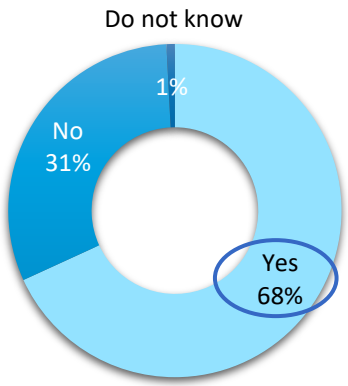
Source: Frost & Sullivan Remote work survey for GoTo, 2023

Guideline/Requirement on Number Of Days Working from Office for Hybrid Work Model

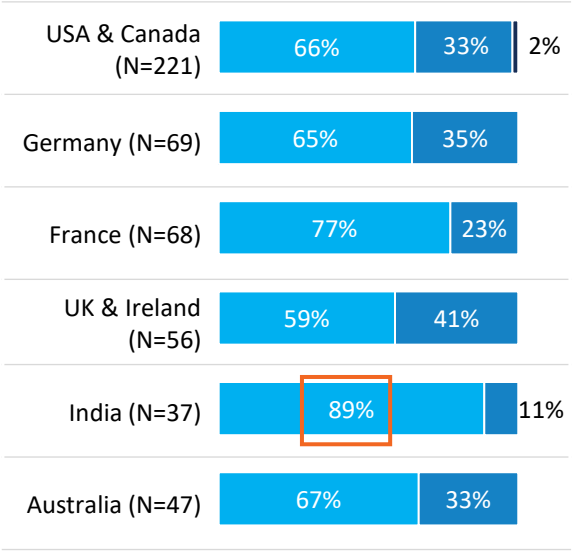
Presence of guidelines to work from the office in a hybrid work model is stronger in India at 89% and in larger organizations (500 to 999 employees) at 82%, but lower in smaller organizations (10-49 employees) at 51%.

Guideline/Requirement on Number Of Days Working from the Office for Hybrid Work Model

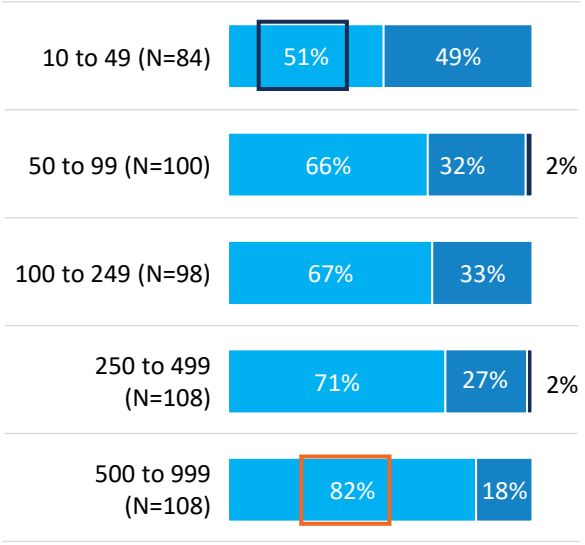
Total
N=498



By Country



By Organization Size (All Employees)

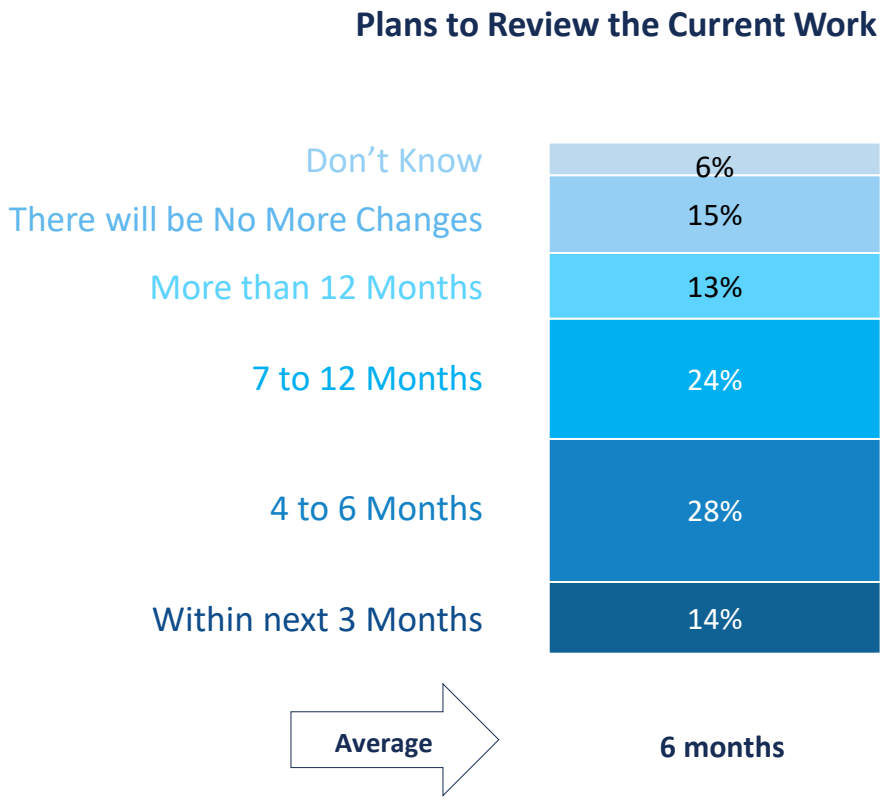


Base: Respondents having hybrid work model in place (N=498)
Q5. Is there an official guideline or a requirement regarding the number of days knowledge-based employees in the hybrid work model should work from the office?

Source: Frost & Sullivan Remote work survey for GoTo, 2023

Plans to Review the Current Work Model

Hybrid work implementation will be an iterative process until businesses are satisfied with the outcomes. The next change in the current work model is expected on average in 6 months' time. 66% of the organizations plan to review their current work model in the next year versus 86% last year indicating growing stability in the choice of the work model that is being implemented.



Q9. When do you think your organization will make the next changes/updates to your current work model? N=1,000

Source: Frost & Sullivan Remote work survey for GoTo, 2023

Shifting Workplace Plans

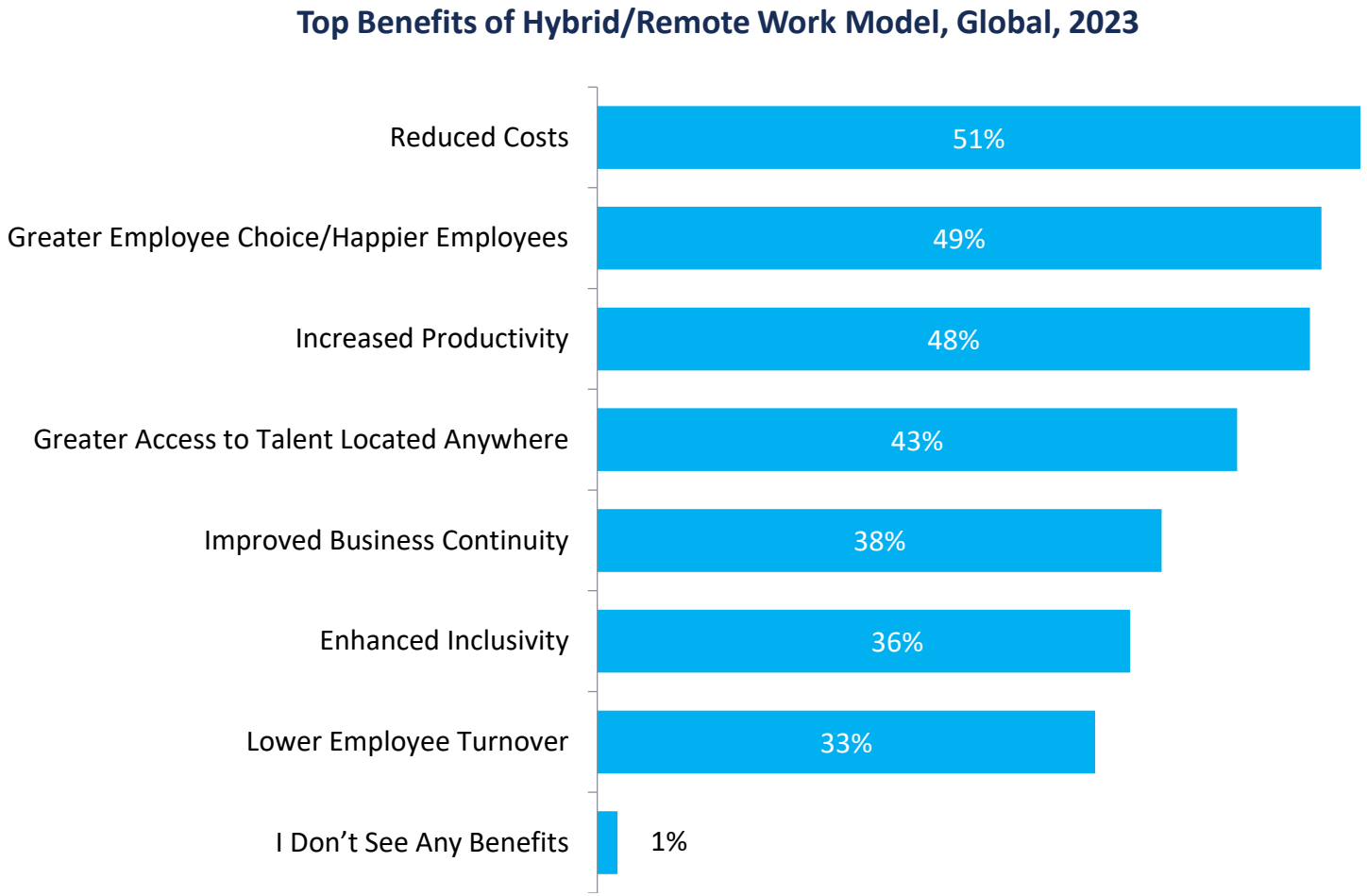
There have been significant shifts in workplace plans. Since March 2020, organizations have tried different work models. The drivers for hybrid work are clear.

Q9. How is your office space changing as a result of evolving work models (remote or hybrid work)? N=1,187

Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2020–2023

Key Benefits of Hybrid/Remote Work

Cost reduction is top of mind in a challenging macro-economic environment. Employee happiness is the second important benefit of remote/hybrid work followed by productivity benefits.



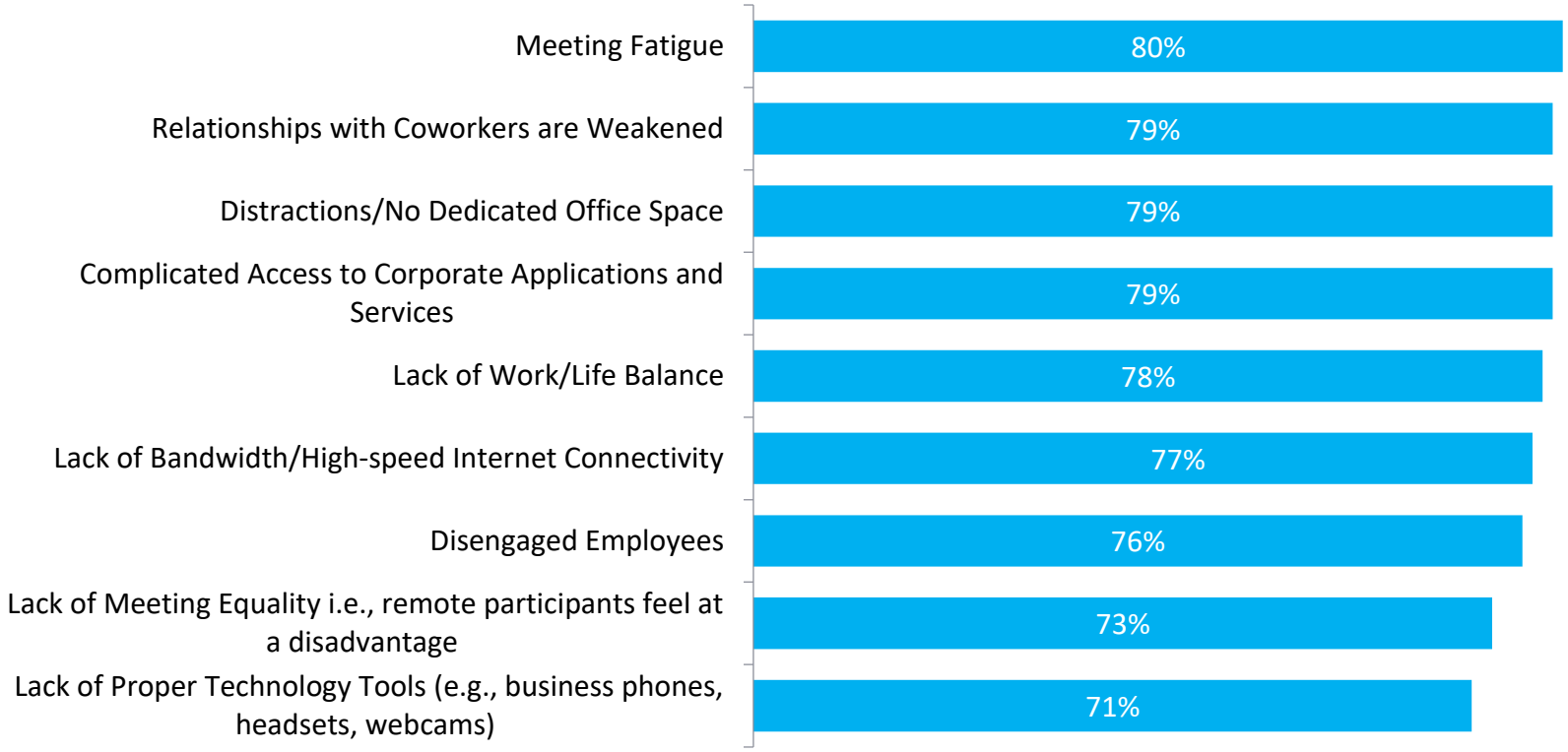
Q10. What are the main benefits of remote or hybrid work for your organization? N=1,187

Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Key Challenges of Hybrid/Remote Work

Remote work is not without challenges. The challenges range from the technical, such as the 79% who cite a lack of easy access to corporate applications and services when working from home to the social or professional, with 79% reporting weakened relationships with coworkers and loss of business culture/mentorship opportunities. 80% of the respondents report some level of meeting fatigue when working remotely and 73% feel disadvantaged when attending meetings remotely compared to joining in person.

Top Concerns for Hybrid/Remote Work Model, Global, 2023



Q11. What share of your employees experience the following challenges when working remotely/from home? N=1,151

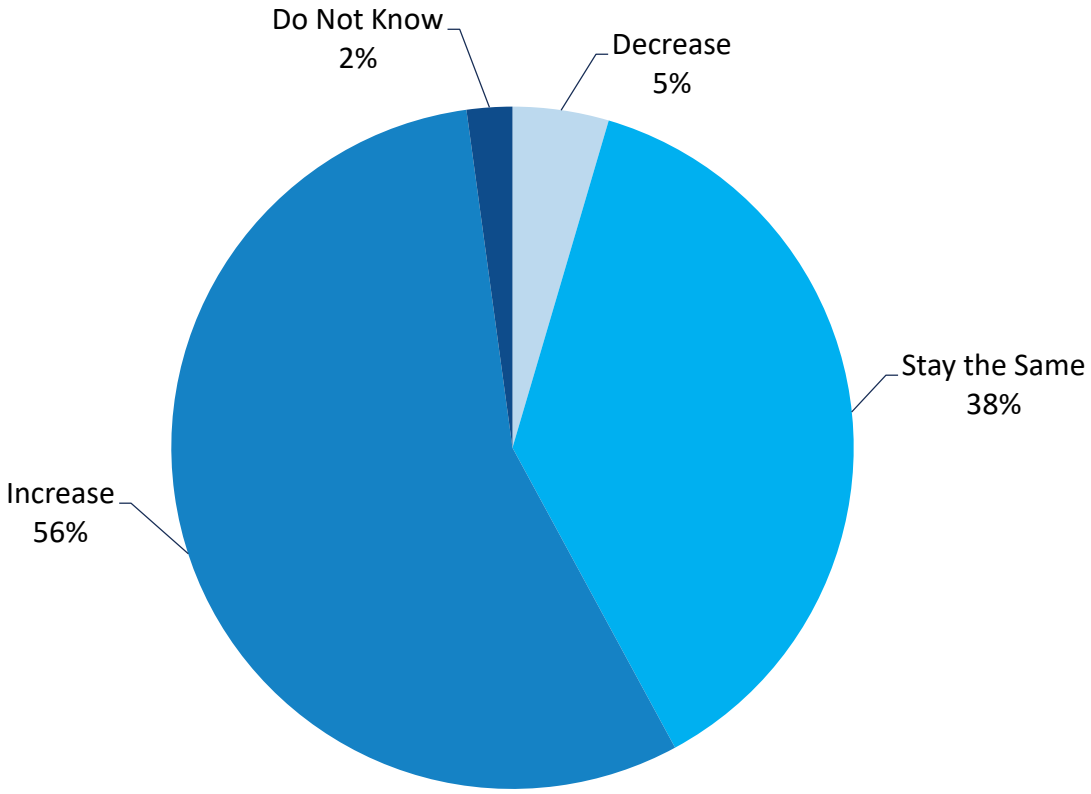
Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Communications and Collaboration Investments

Customers are Boosting Investments in Communications and Collaboration Tools

A tech-forward business strategy is boosting investments in communications and collaboration tools. A dominant 56% of the organizations report increased budgets for communications and collaboration spend for 2023. Those indicating higher budgets report that they expect the percentage increase to be 19% over the prior year.

Communications and Collaboration Upgrade and Investment Plans, Global, 2023



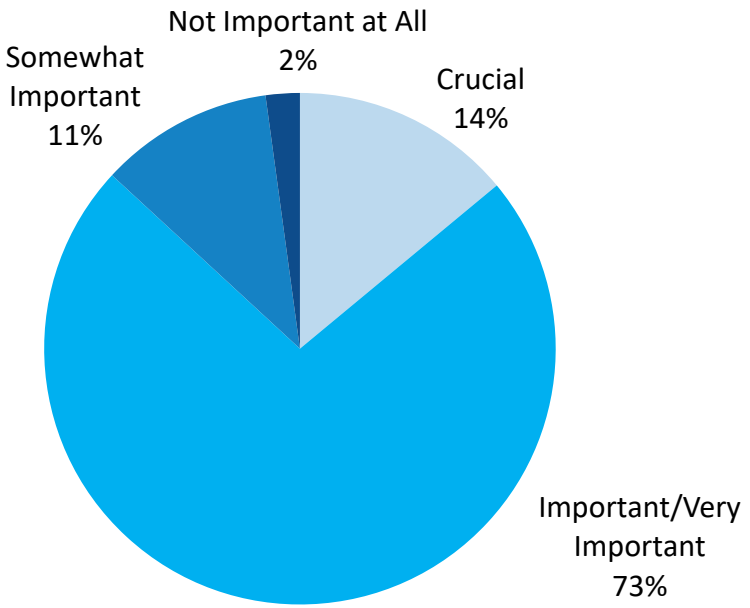
Q51. Do you expect your communications and collaboration budget to increase, decrease, or stay the same in 2023? N=1,252

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

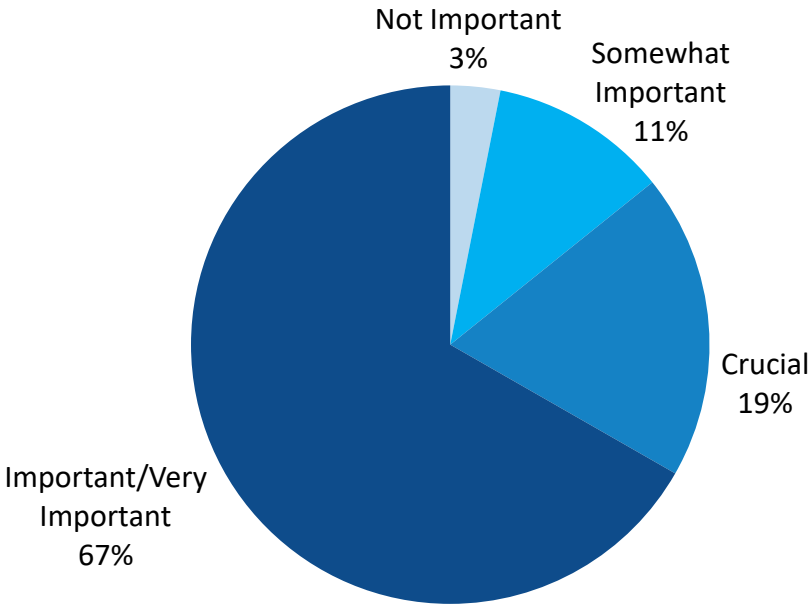
Strong Focus on AI and ESG

Enterprises have shifted gears from the proof-of-concept stage to implementing AI. 87% of decision-makers consider AI strategic to achieving their business goals. 86% indicate that environmental, social, and governance (ESG) and sustainability practices are important to achieving business goals. ESG and sustainability are also impacting the design of physical workspaces.

Importance of AI to Achieving Business Goals, Global, 2023



Importance of ESG and Sustainability Practices to Achieving Business Goals, Global, 2023



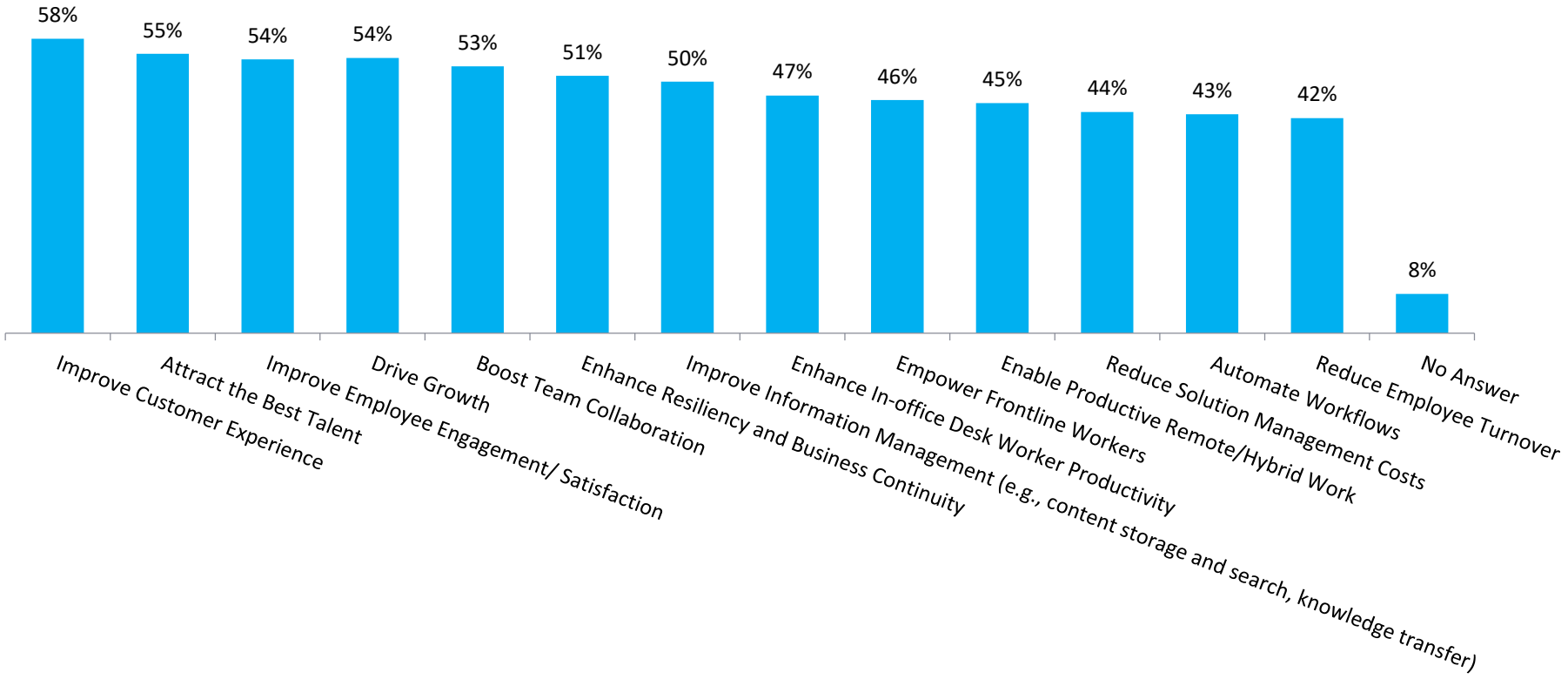
Q37. How important is Artificial Intelligence (AI)/ Machine Learning (ML) to achieving the business priorities of your organization? N=582
Q2_A6_2. How important is each of the following business objectives in the next year for your organization - Becoming a leader in environmental, social, and governance (ESG) and sustainability practices? N=2094

Source: Frost & Sullivan Global AI Survey, Jan 2023; Frost & Sullivan Annual Global Cloud Survey, October 2022

CX and EX Lead the Way

Employee experience is paramount to the success of an organization and is becoming a strategic priority. Two of the top three drivers for communications and collaboration technology investments are associated with attracting the best talent and ensuring that the employees are engaged and satisfied. Enabling remote/hybrid work has dropped down the list compared to 2022.

Drivers for Investments in Communications and Collaboration Tools, Global, 2023
Percent reporting these drivers as crucial or very Important



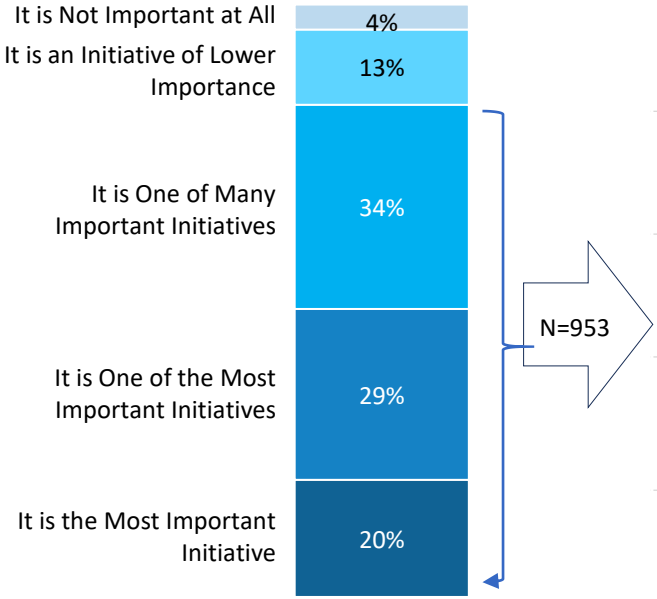
Q12. How important are the following for your organization to drive your investment in communications and collaboration solutions until the end of 2025? Top 2 Box Summary (Crucial + Very Important) N=1,252

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

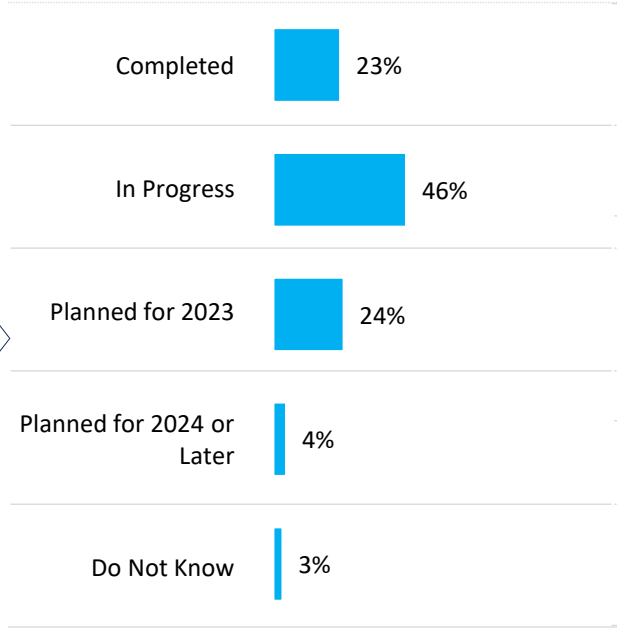
Consolidation of Communication, Collaboration, IT Management & Support Tools

Consolidation of communication, collaboration, and IT management and support tools is considered important by 83% of respondents for reasons related to simplified user experience, consolidated management, and cost savings. In 69% of the organizations, consolidation is either completed or currently in progress.

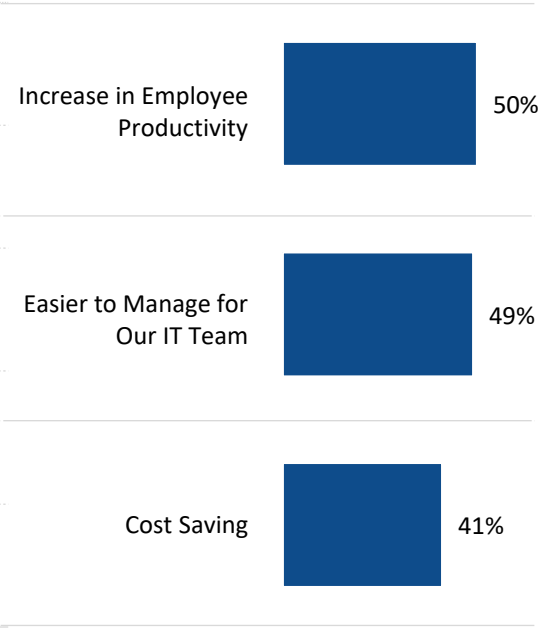
Importance of Consolidation N=1,000



Consolidation Status N=953



Reasons for Importance of Consolidation N=827



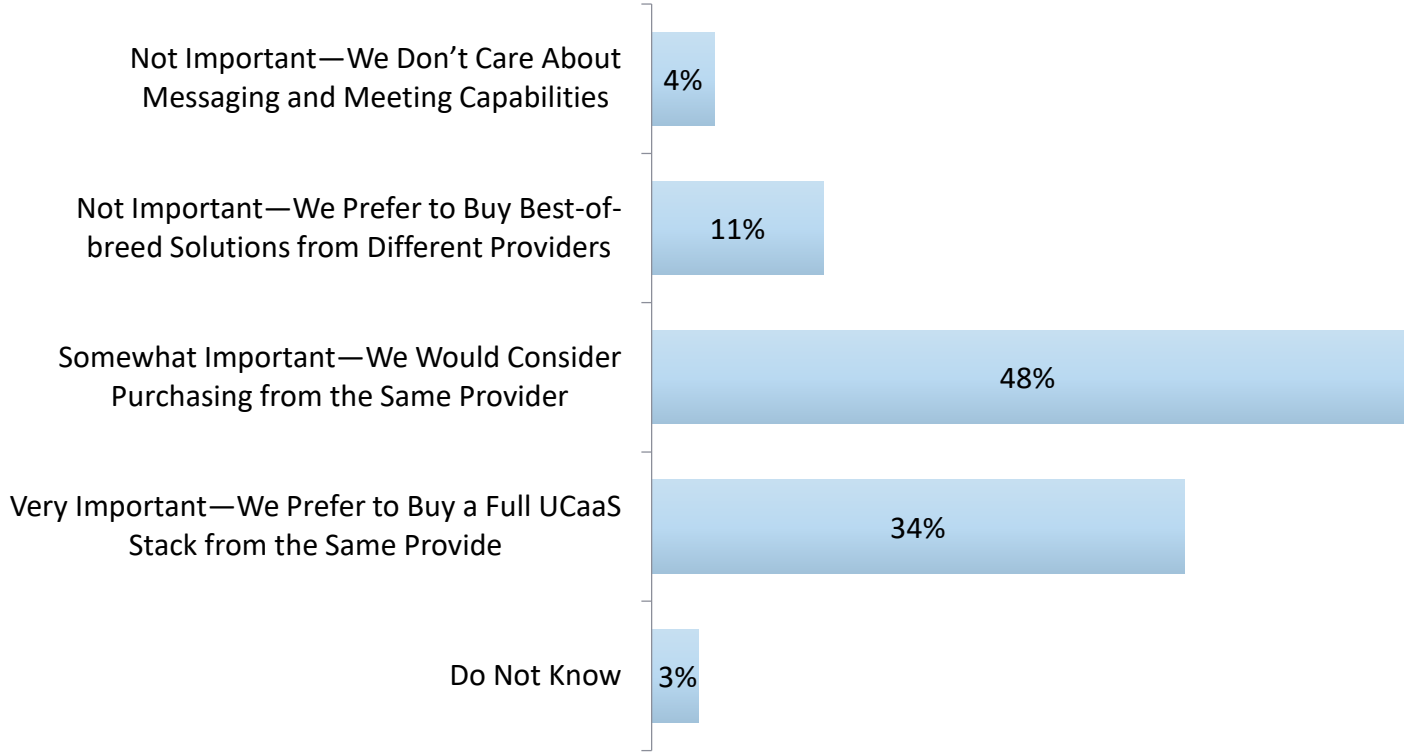
Base: All respondents (N=1,000)

Source: Frost & Sullivan Remote work survey for GoTo, 2023

Customers Show a Strong Preference for a Single UC Stack—Phone, Group Chat, and Meetings on a Unified Platform

82% of the decision-makers consider a fully integrated UCaaS solution to be important. Only a negligible 4% of the decision-makers indicate that they do not care about a single UCaaS stack and a relatively small 11% prefer to buy the UCC capabilities from different vendors. The rest either must have or would like to have an integrated solution that includes calling, meetings, and messaging.

Importance of a Fully Integrated UCaaS Solution, Global 2023


Not Important—We Don't Care About Messaging and Meeting Capabilities
4%
Not Important—We Prefer to Buy Best-of-breed Solutions from Different Providers
11%
Somewhat Important—We Would Consider Purchasing from the Same Provider
48%
Very Important—We Prefer to Buy a Full UCaaS Stack from the Same Provide
34%
Do Not Know
3%

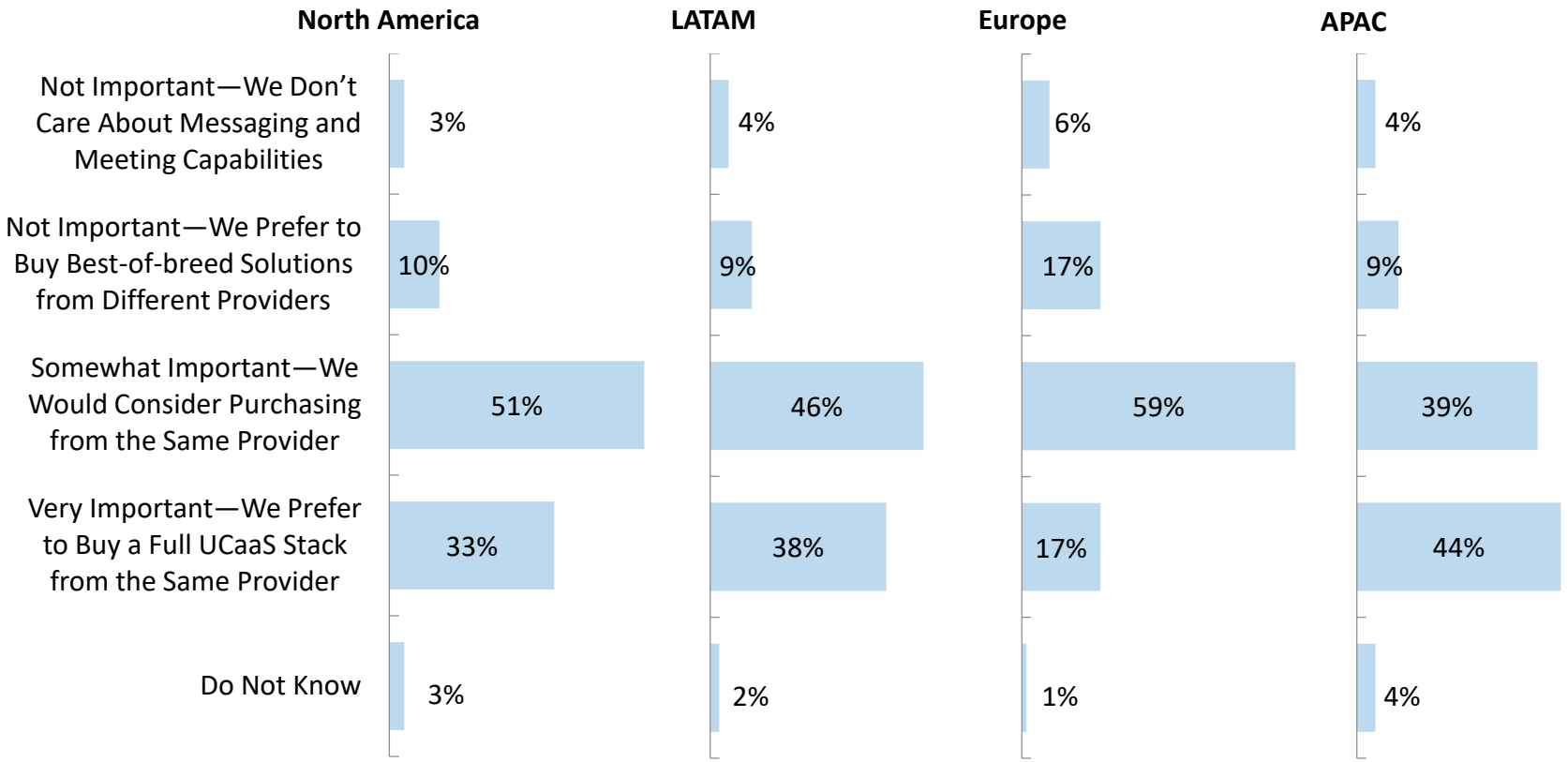
Q23. When selecting a cloud telephony/PBX provider, how important is it to your organization that they provide a fully integrated UCaaS solution that also includes messaging and meetings? N=428

Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Importance of a Fully Integrated UCaaS Solution by Region

Compared to their counterparts in other regions, European decision-makers have the lowest preference for buying a single UCaaS stack from the same provider.

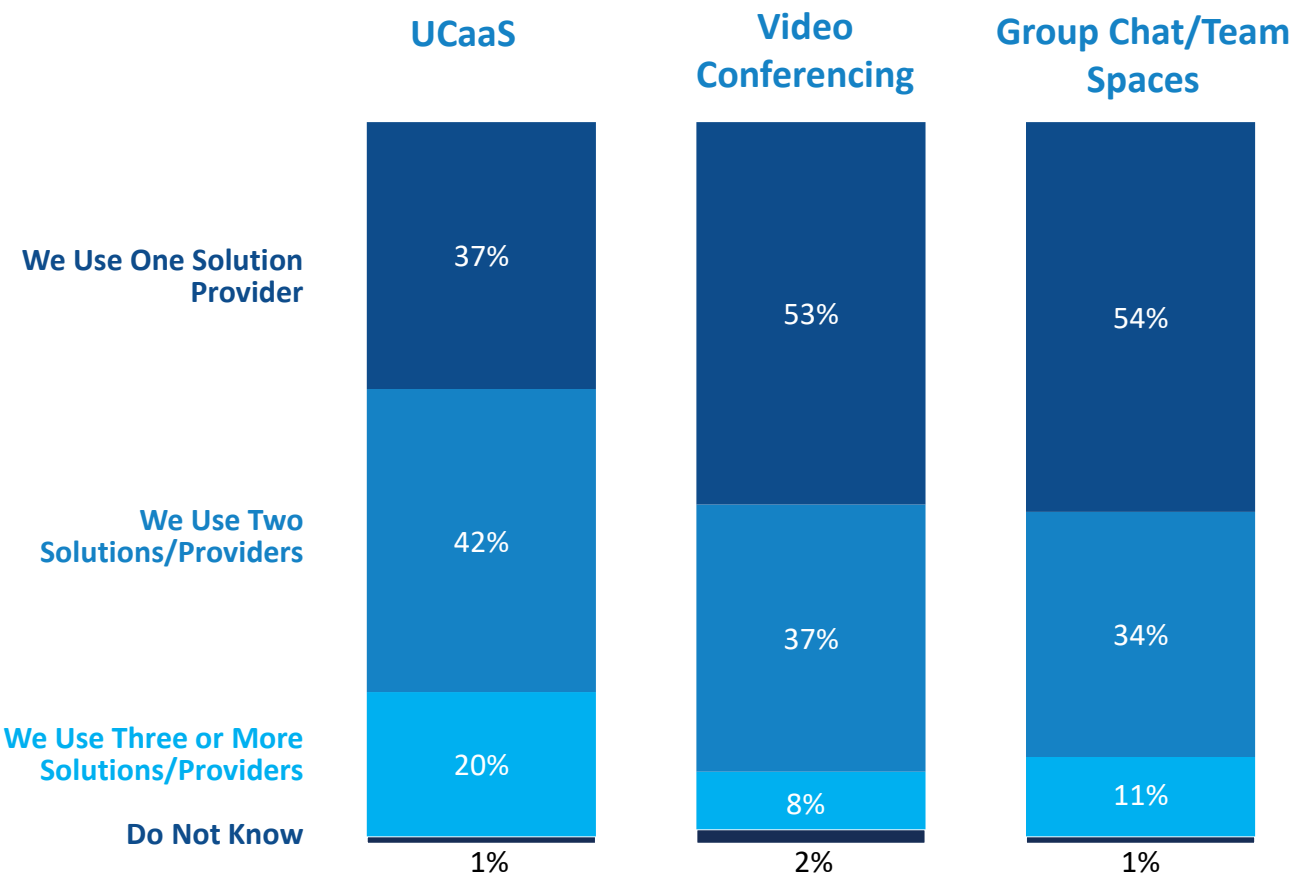
Importance of a Fully Integrated UCaaS Solution that Includes Meetings and Messaging, by Region, Global, 2023



Q23. When selecting a cloud telephony/PBX provider, how important is it to your organization that they provide a fully integrated UCaaS solution that also includes messaging and meetings? N=428.

Source: Frost & Sullivan

Significant Technology Consolidation is Already in Place

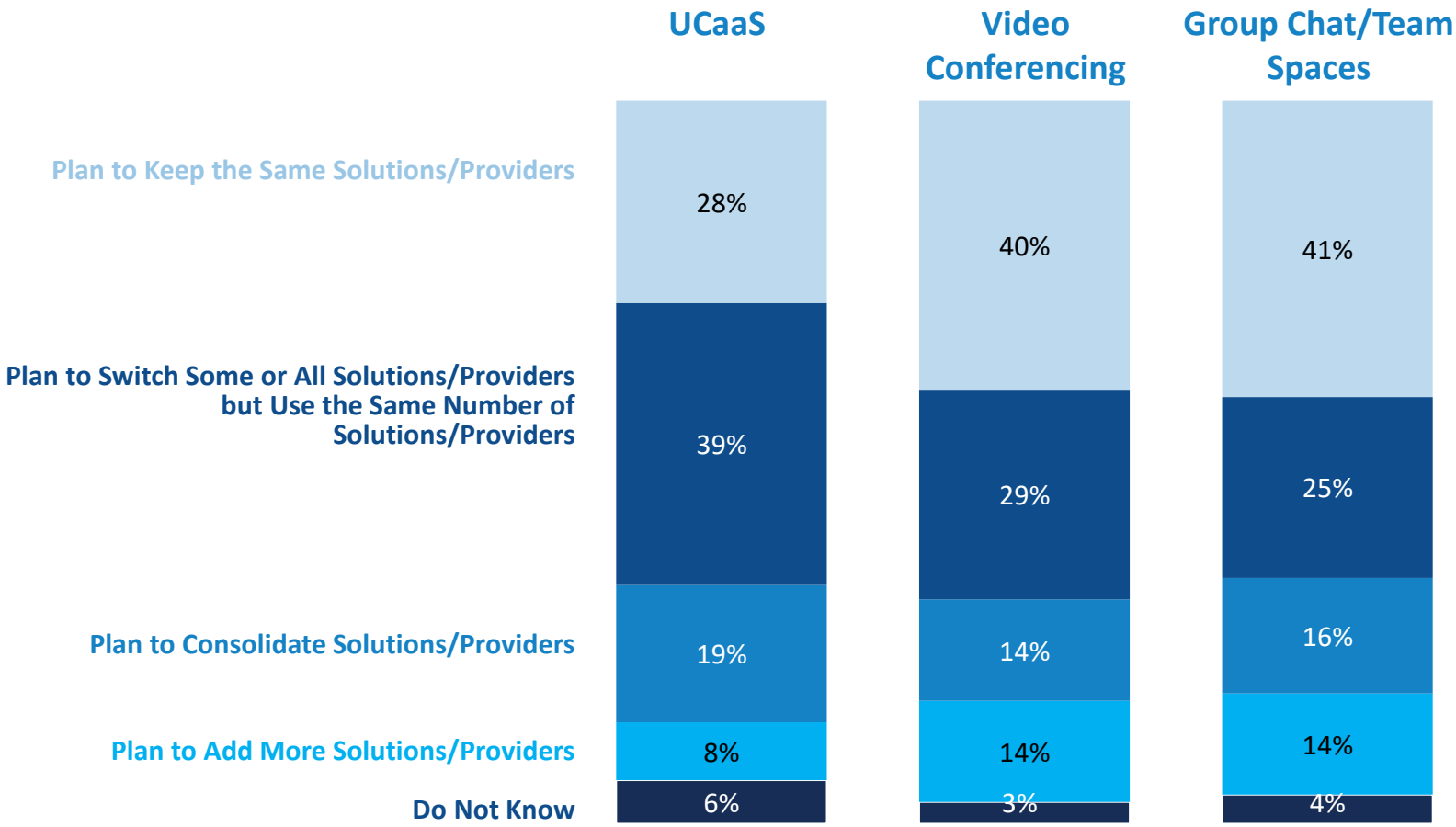


Q21. Which option regarding your cloud or mobile PBX/UCaaS solutions most closely matches your organization's current usage? N=178
Q34. With regard to collaboration solutions, which option most closely matches current usage in your organization? - Video conferencing solutions N=493
Q34. With regard to collaboration solutions, which option most closely matches current usage in your organization? - Team spaces/group chat N=409

Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Customers Plan on Further Consolidation

Future plans to consolidate solution providers are strongest for UCaaS followed by group chat. 14% of the decision-makers indicate they will consolidate video conferencing solutions.



Q22. Do you plan to change your cloud or mobile PBX/UCaaS solutions/service providers by the end of 2025? N=178
Q35. What are your plans for your video conferencing solutions/service providers for the next three years? N=493
Q36. What are your plans for your team spaces/group chat services providers for the next three years? N=409

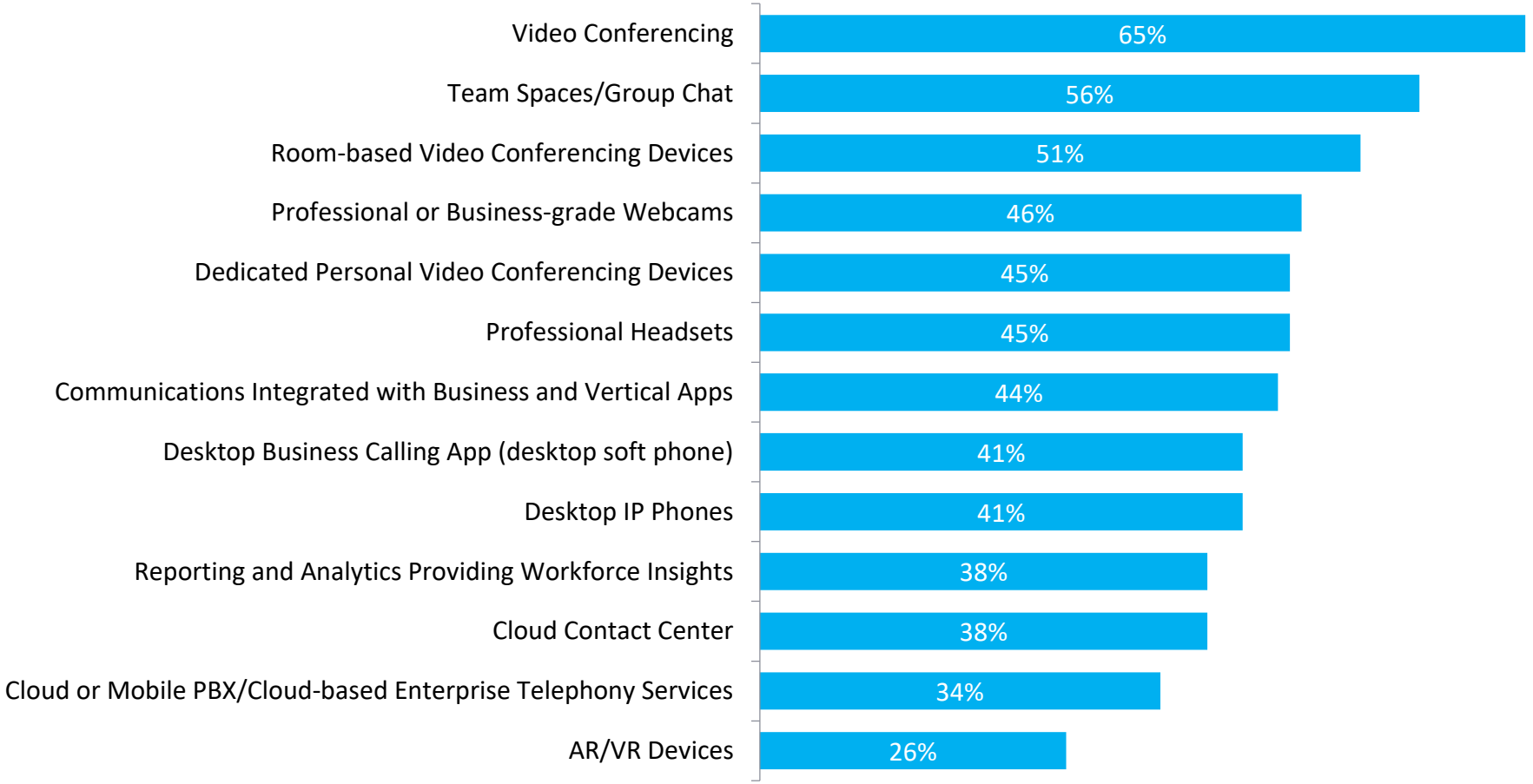
Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Video Conferencing Adoption Status

Video Conferencing and Group Chat are Table Stakes for Hybrid Work

Online meetings and group chat lead among communication tools and have become a must-have to facilitate hybrid work. Cloud telephony is trailing behind other solutions due to the strategic importance and complexity of migrating enterprise telephony to the cloud.

UCC Solution Adoption Status, Global, 2023

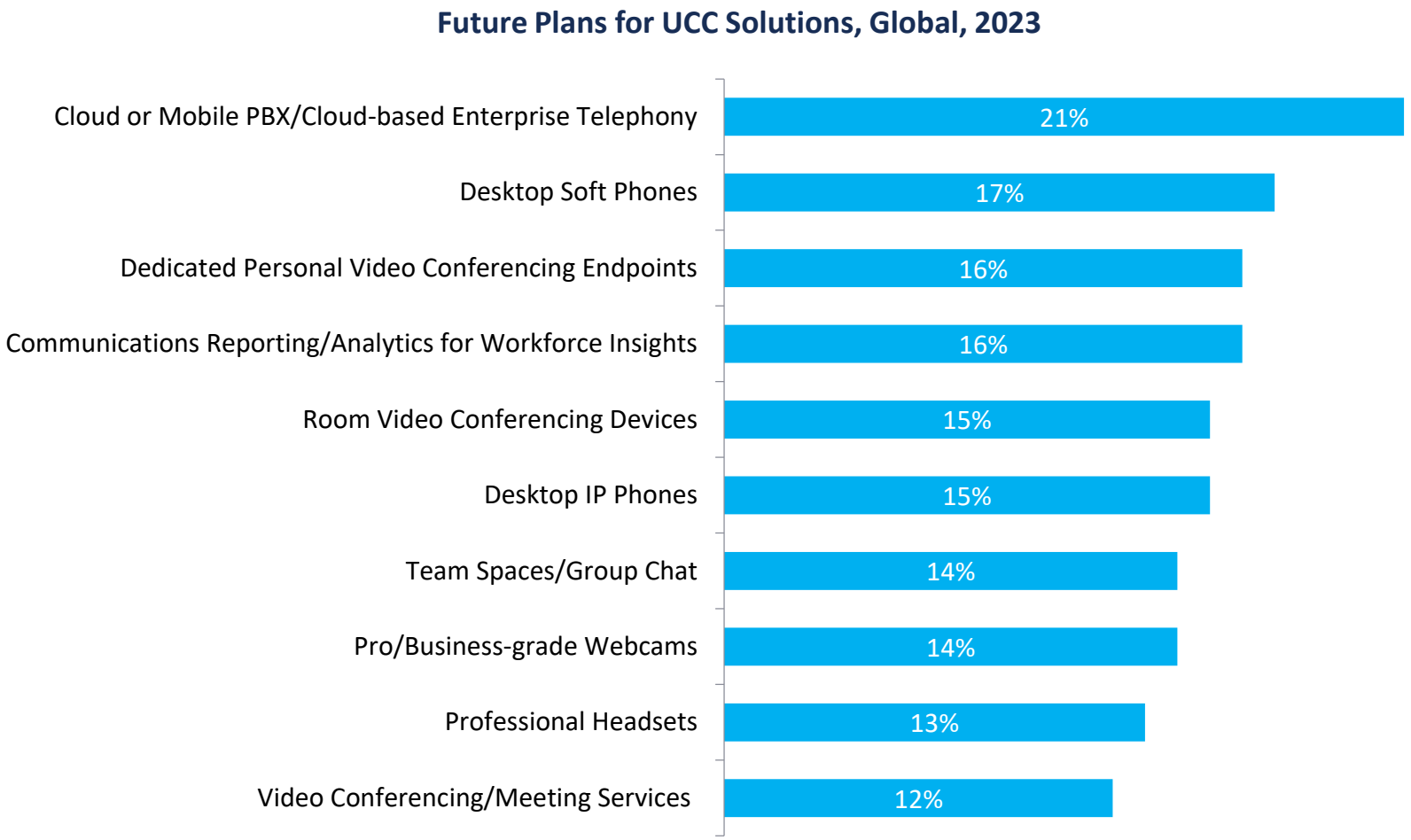


Q5. Which of the following solutions have you adopted already? - Summary - Have adopted. N=1,252.

Source: Frost & Sullivan Annual ITDM Surveys on Investment Priorities, 2023

Remote Work Leads to Greater Market Maturity

The shift to remote work during the pandemic years led to hyper-growth in online meetings, personal devices (webcams, headsets) and team chat. Future investment plans indicate changing investment priorities.



N=1,252

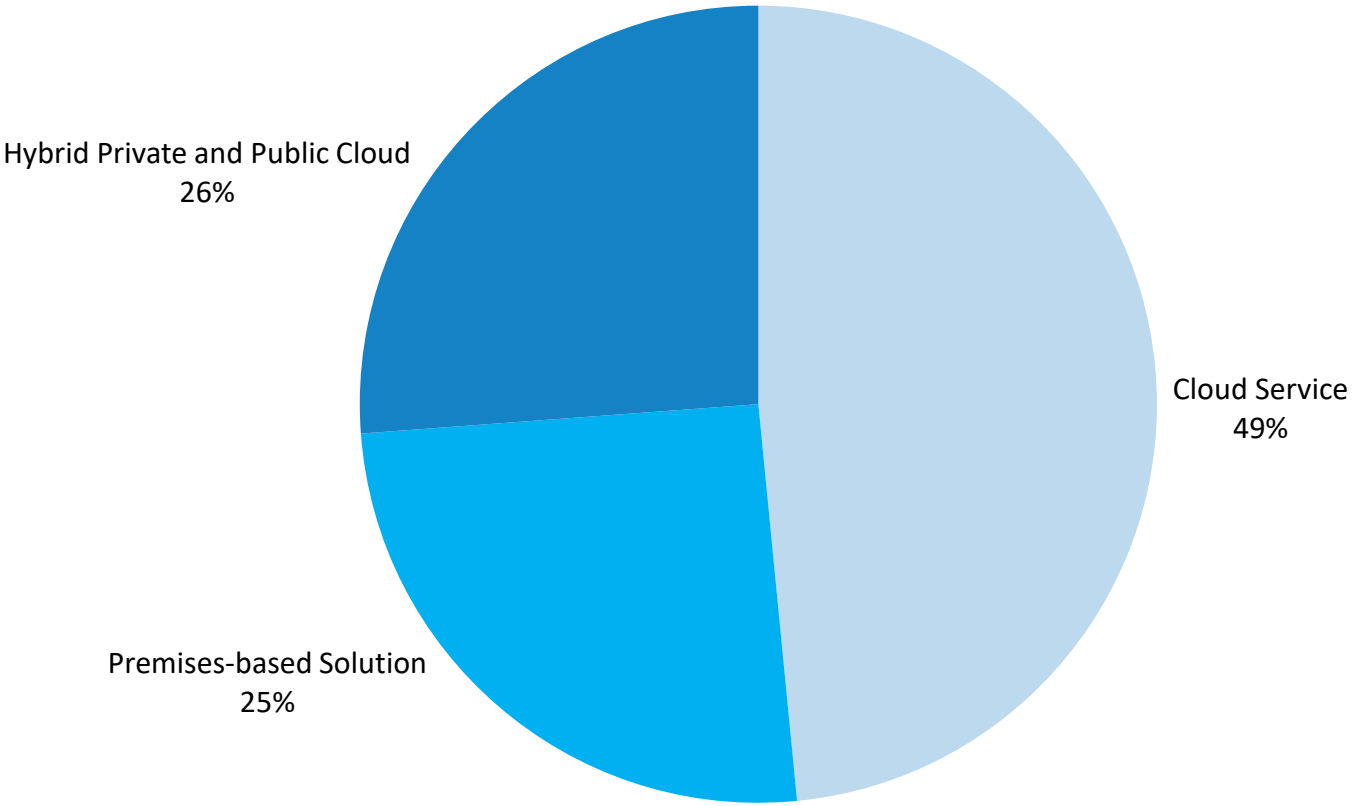
Q5. Which of the following solutions have you adopted already or are planning to adopt by the end of 2025? - Summary - Plan to adopt in 2024-2025

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Migration to Cloud Video Conferencing

49% of the organizations use video conferencing as a cloud service up from 47% last year and 42% two years back.

Primary Deployment Model for Video Conferencing, Global, 2023



N=493

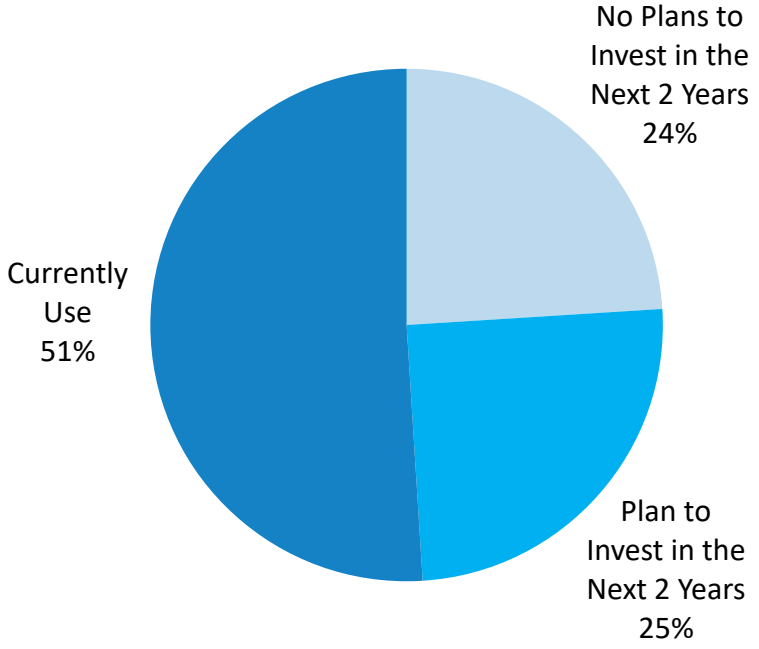
Q38. What type of solution do you currently use for video conferencing?

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

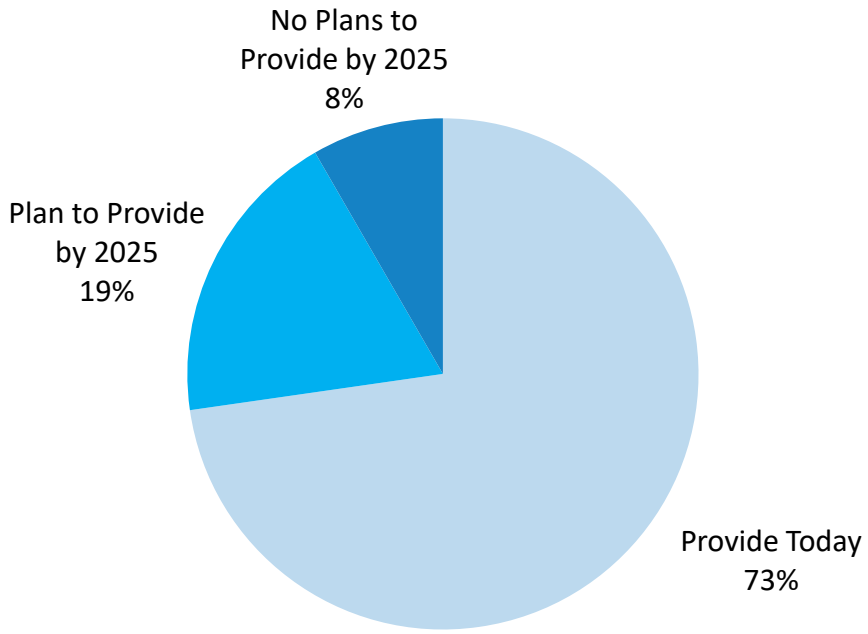
Video Extends to Contact Center and Frontline Workers

Video calls became the mainstay for communications during the pandemic creating a long-term, sustainable impact. Although the use of video conferencing is increasing for non-traditional users, such as contact centers and frontline employees, the high level of current usage indicated by respondents likely includes the use of consumer-grade video conferencing tools.

Use for Contact Center, Global, 2023



Use for Frontline Workers, Global, 2023



Q30. Which of the following interaction channels does your organization support today? - Video chat, video teller/kiosk? N=751
Q31. Which of the following channels does your organization plan to support over the next two years or have no plans for? - - Video chat, video teller/kiosk? ? N=751
Q15. Which of the following technologies do you provide to the frontline workers in your organization today or plan to provide by 2025 – Video? N=1004

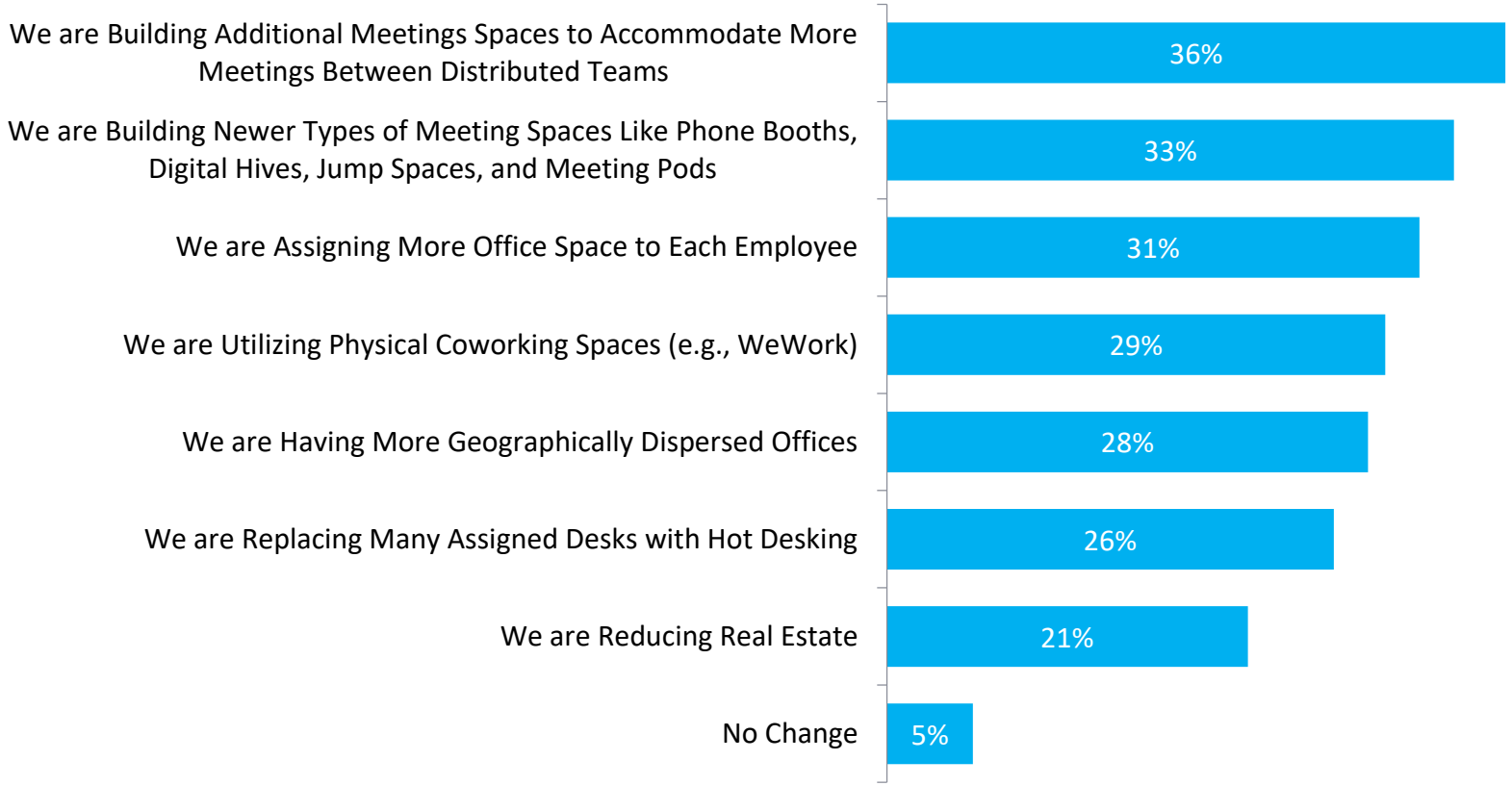
Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Office Space and Video Conferencing Investments

Remote Work Prompts Changes to Office Space

Only 5% of IT decision-makers state that their organization will make no office space changes as a result of remote and hybrid work. A notable percentage are outfitting office spaces with solutions to better support distributed workforces and evolving work styles. More than 1 in 3 plan to build more meeting rooms and 33% are planning on newer types of meeting spaces that better fit the hybrid workforce. Only 1 in 5 plan to reduce real estate which is likely driven by long-term office leases.

Changes in Office Space as a Result of Evolving Work Models, Global, 2023


We are Building Additional Meetings Spaces to Accommodate More Meetings Between Distributed Teams
36%
We are Building Newer Types of Meeting Spaces Like Phone Booths, Digital Hives, Jump Spaces, and Meeting Pods
33%
We are Assigning More Office Space to Each Employee
31%
We are Utilizing Physical Coworking Spaces (e.g., WeWork)
29%
We are Having More Geographically Dispersed Offices
28%
We are Replacing Many Assigned Desks with Hot Desking
26%
We are Reducing Real Estate
21%
No Change
5%

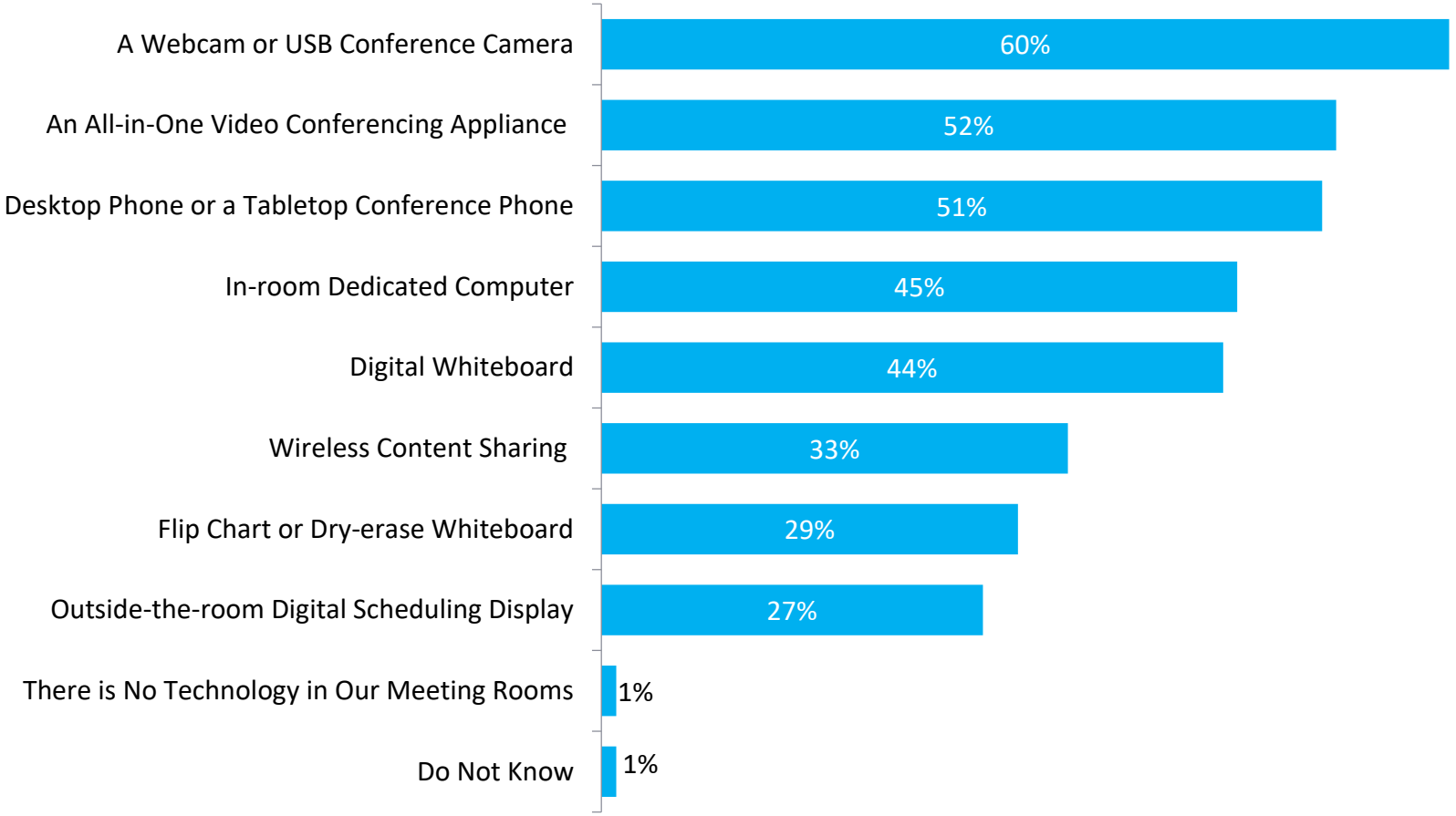
Q9. How is your office space changing as a result of evolving work models (remote or hybrid work)?
N=1,187

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Technologies Used in Meeting Rooms

Professional webcams and USB conference cams remain the most widely deployed meeting room devices followed by all-in-one video conferencing appliances. In-room dedicated computers ranked fourth signifying the prevalence of BYOD video conferencing.

Technologies Currently Used in Meeting Rooms, Global, 2023



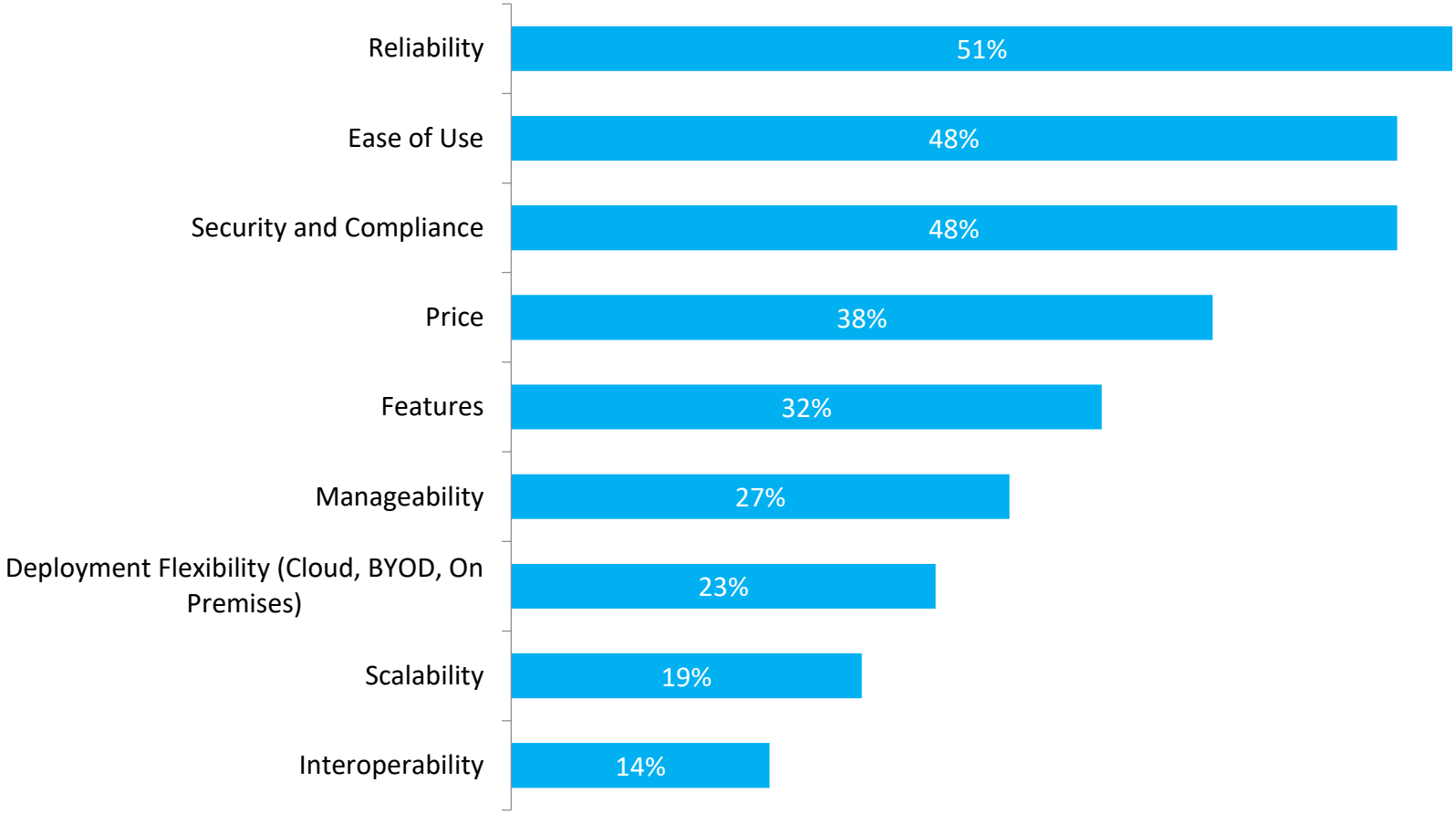
Q37. Which of the below technologies do you currently use in at least some of your meeting rooms? N=726

Source: Frost & Sullivan Annual UCC Buyers Survey, April 2023

Top Selection Criteria for Room Video Conferencing Devices

Customers rank reliability as the top factor when purchasing room-based video conferencing devices. Ease of use is selected as the second most important criterion followed by security and compliance. Although interoperability ranks low in the top three criteria, it is considered as important to crucial by 76% of the respondents.

Top Three Factors for Room Video Conferencing Device Purchase, Global, 2023



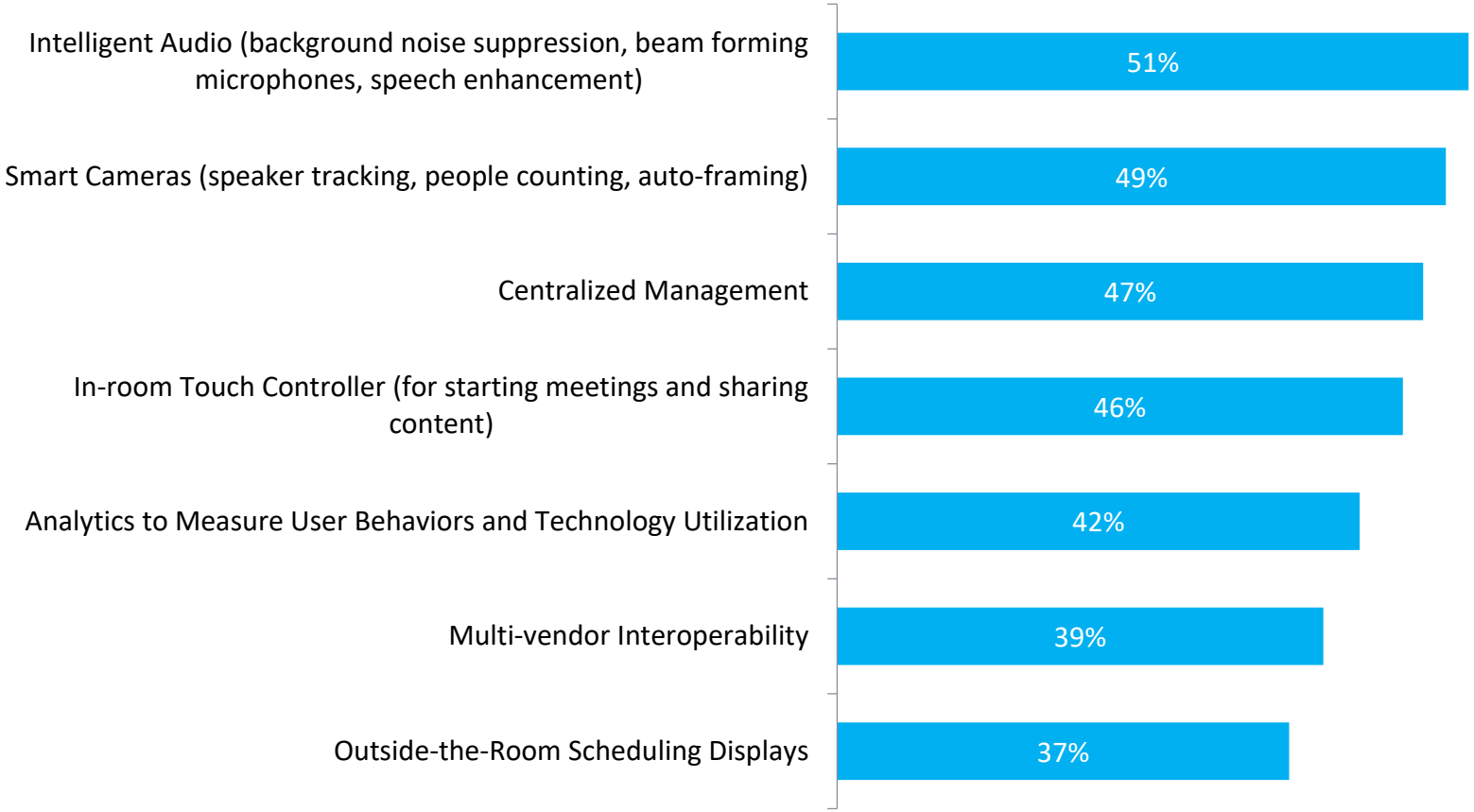
Q39. Please select the three most important factors that influence you when purchasing your room-based video conferencing devices? N=372

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Key Capabilities for Room Video Conferencing Devices

When asked to rate capabilities as crucial or very important, IT decision-makers rank intelligent audio at the top followed by smart camera features.

Importance of Key Capabilities/Features For Room-based Video Conferencing Devices—Top 2 Boxes, Global, 2023



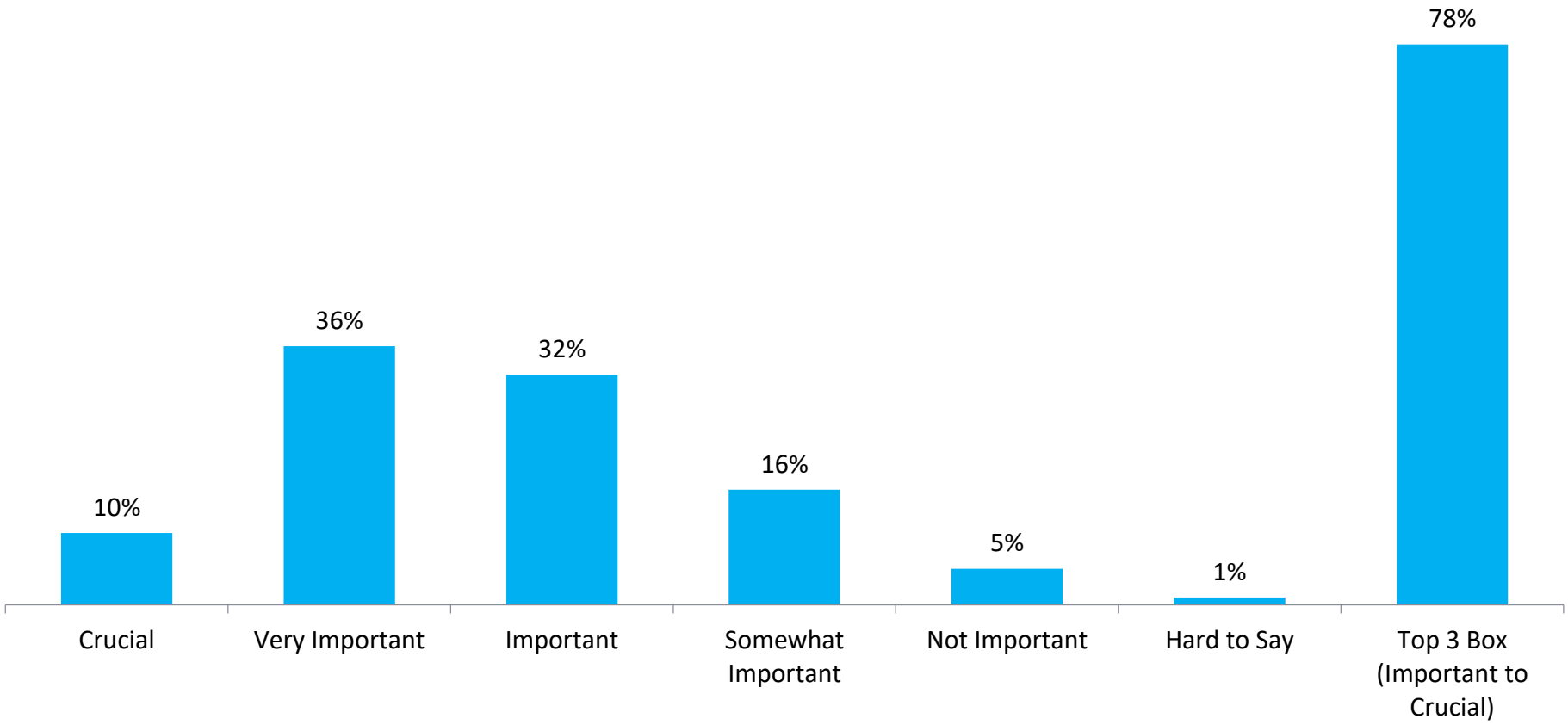
Q40. How important are the following capabilities for your room-based video conferencing devices? Top 2 Box Summary (Crucial + Very Important) N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of In-room Touch Controllers

78% of the respondents rate meeting room controllers as important, very important or crucial. In-room controllers deliver simplified user experiences for starting and ending a meeting and for content sharing.

Importance of In-room Touch Controllers for Video Conferencing Rooms, Global, 2023



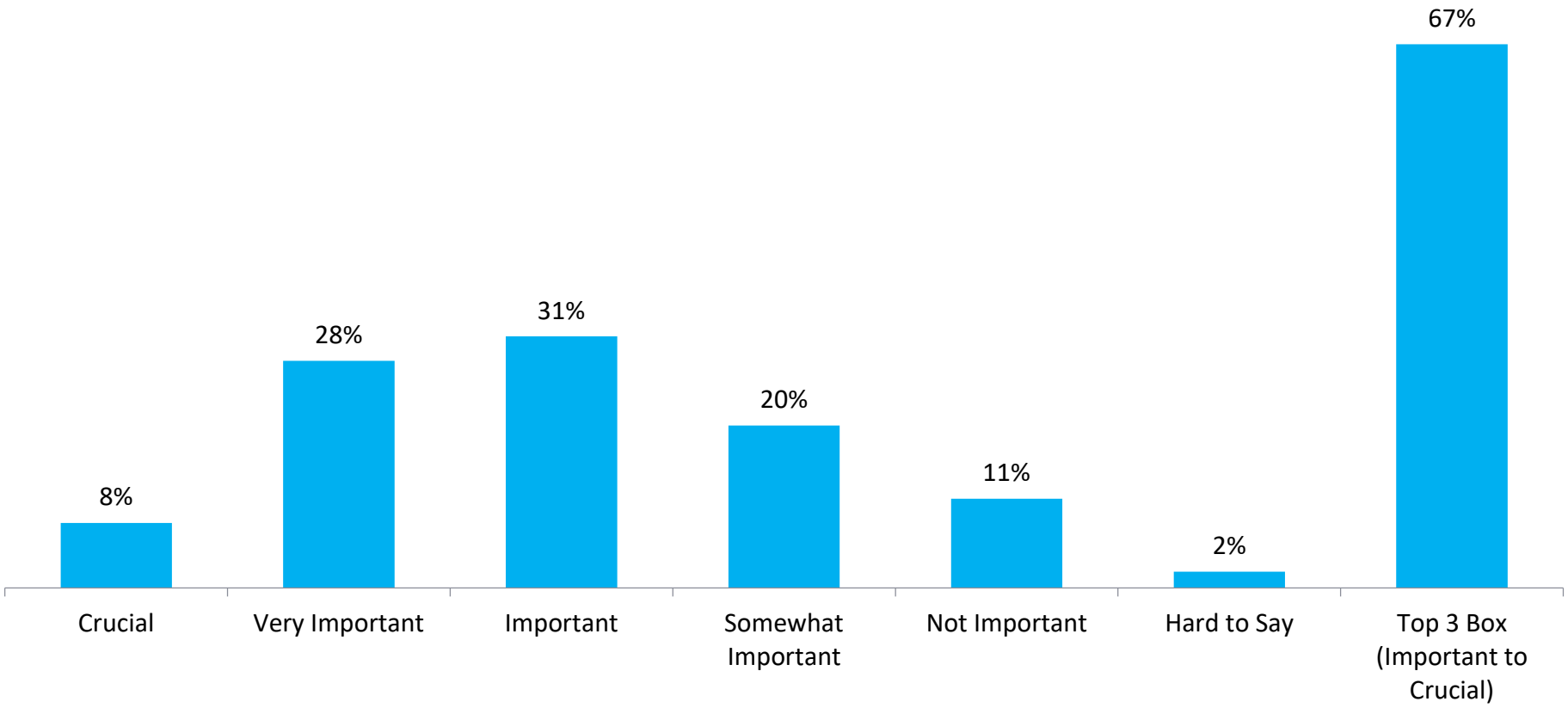
Q40. How important are the following capabilities for your room-based video conferencing devices? - In-room touch controller (for starting meetings and sharing content) N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Room Scheduling Displays

Real-estate reduction is putting an emphasis on better room utilization. 67% of IT decision-makers consider scheduling displays important, very important or crucial. Hybrid work has created a growing demand for meeting rooms. Scheduling displays outside the room, with presence and occupancy indicators, allow for safe and efficient use of meeting spaces.

Importance of Room Scheduling Displays for Video Conferencing Rooms, Global, 2023



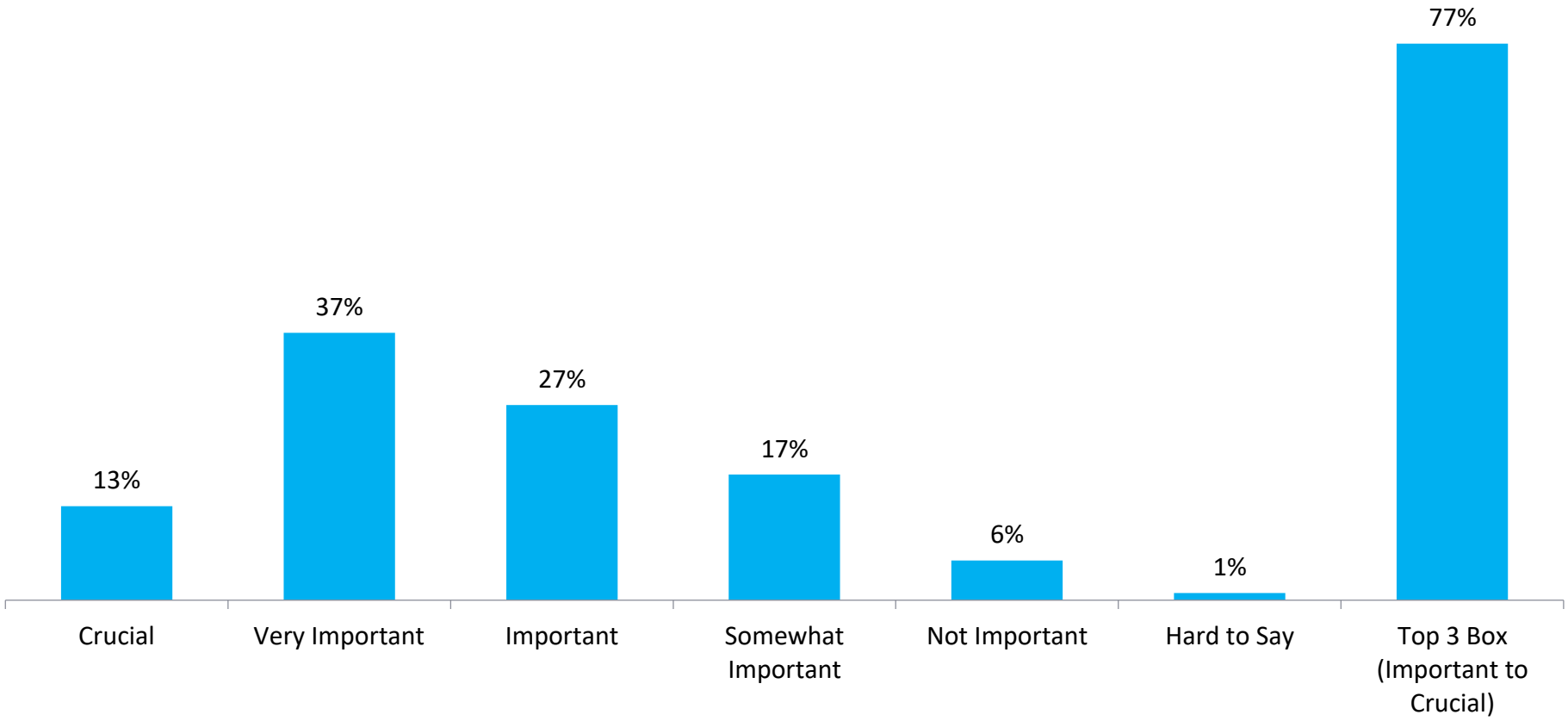
Q40. How important are the following capabilities for your room-based video conferencing devices? - Outside-the-room scheduling displays N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Smart Cameras

Advanced AI-powered technologies that detect people in a room and reframe participants help create optimized video experiences while driving meeting equality that focuses on engaging and inclusive experiences for both remote and in-room participants.

Importance of Smart Cameras for Video Conferencing Rooms, Global, 2023



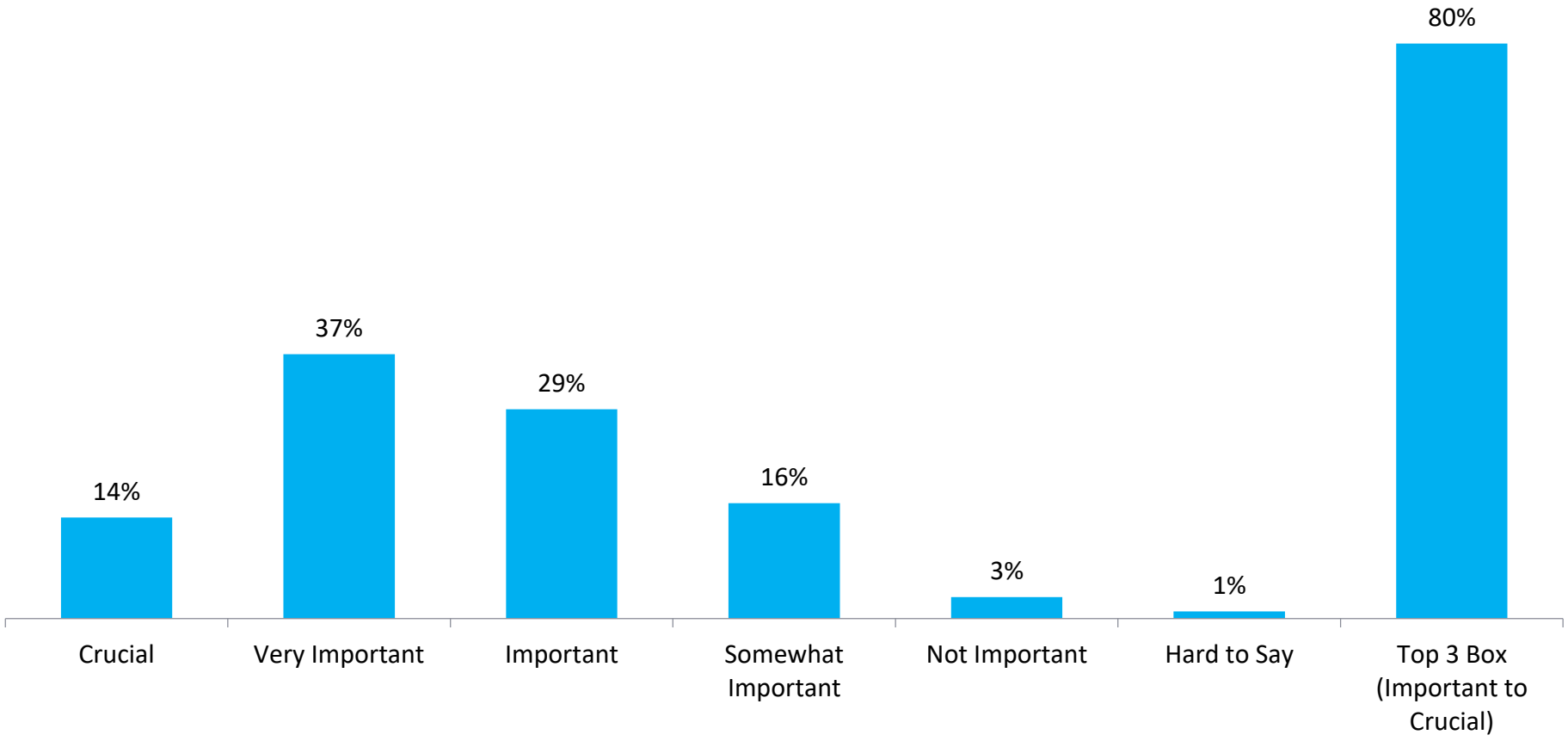
Q40. How important are the following capabilities for your room-based video conferencing devices? - Smart cameras (speaker tracking, people counting, auto-framing) N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Intelligent Audio

Ranked high by IT decision-makers, intelligent audio, which includes background noise removal and advanced speech optimization enables employees to have better meetings while allowing them to work from anywhere.

Importance of Intelligent Audio for Video Conferencing Rooms, Global, 2023



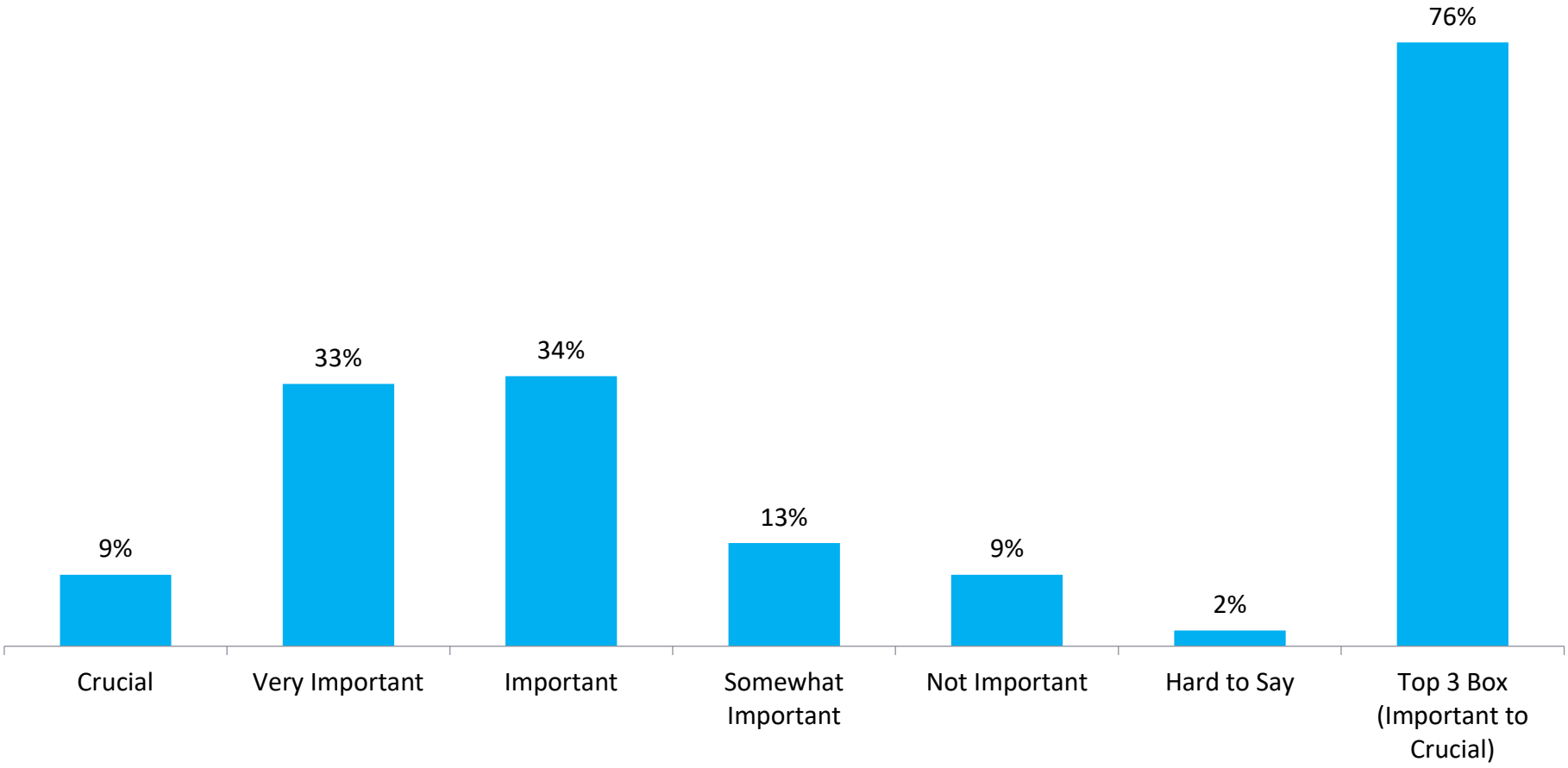
Q40. How important are the following capabilities for your room-based video conferencing devices? - Intelligent audio (background noise suppression, speech enhancement) N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Analytics

Rich analytics and AI-driven insights on user behavior and technology utilization enable a better assessment of what is working and what needs to change. It also helps with optimal space utilization which is critical to the new office space.

Importance of Analytics for Video Conferencing Rooms, Global, 2023



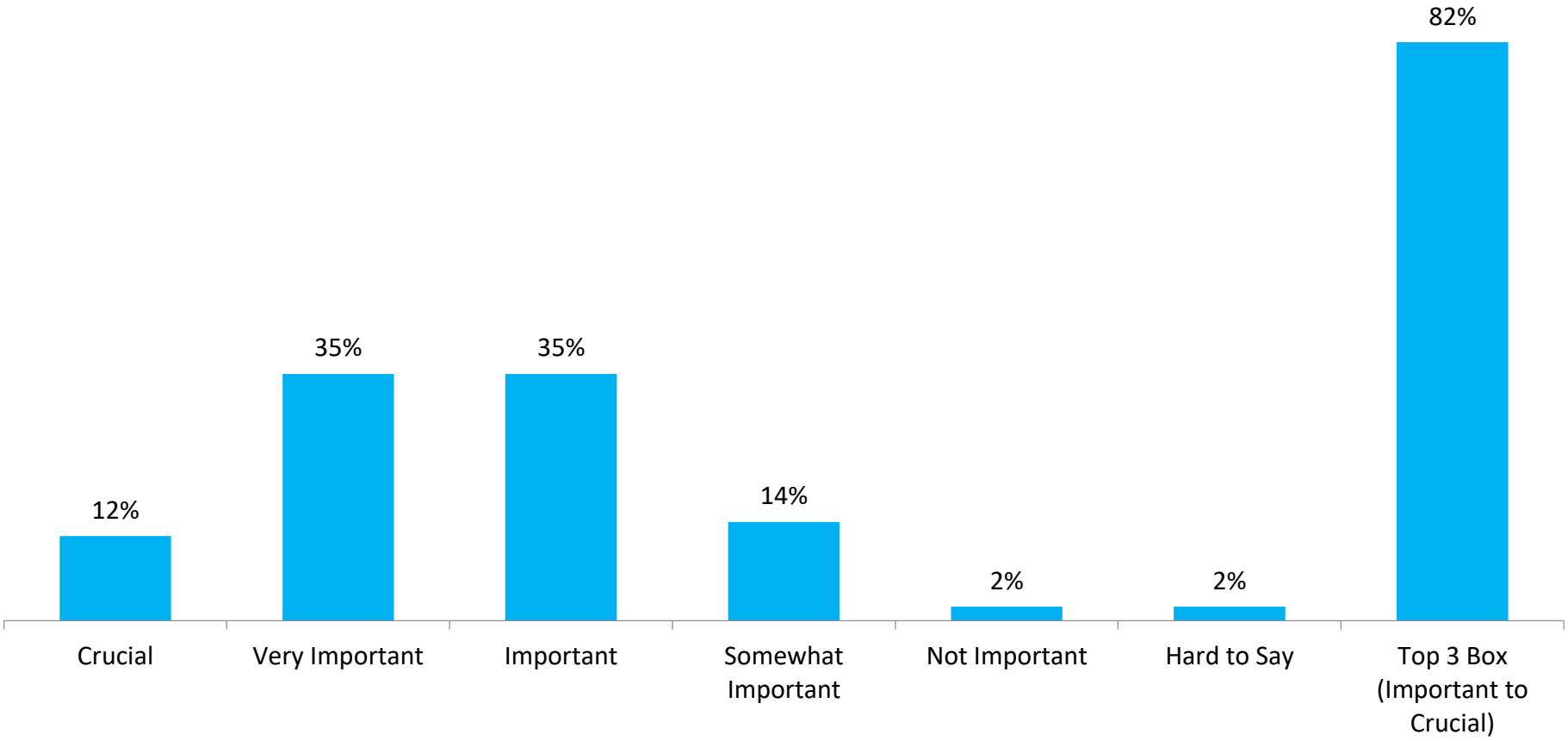
Q40. How important are the following capabilities for your room-based video conferencing devices? - Analytics to measure user behaviors and technology utilization N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Centralized Management

82% of the IT decision-makers rate centralized admin and management capabilities as important to crucial. The focus of IT is shifting from technology enablement to technologies that also help offer better user experience through central monitoring and management.

Importance of Centralized/Remote Management for Video Conferencing Rooms, Global, 2023



N=545

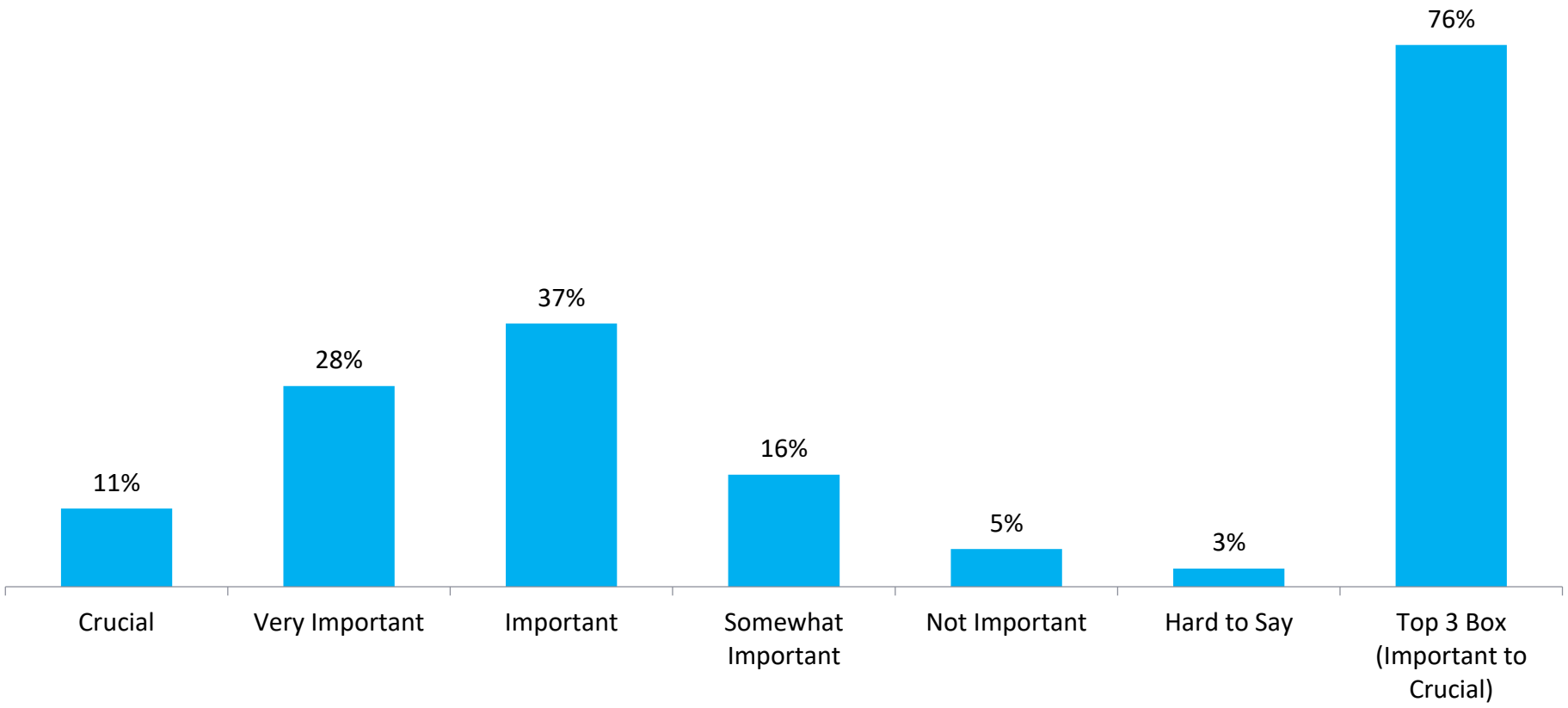
Q40. How important are the following capabilities for your room-based video conferencing devices? - Centralized management

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Importance of Interoperability

Rapid technology expansion during the pandemic months has resulted in a plethora of communication tools across organizations. Technology interoperability makes it easier for users to have effective and productive communications while giving them the choice to work from anywhere.

Importance of Interoperability for Video Conferencing Devices, Global, 2023



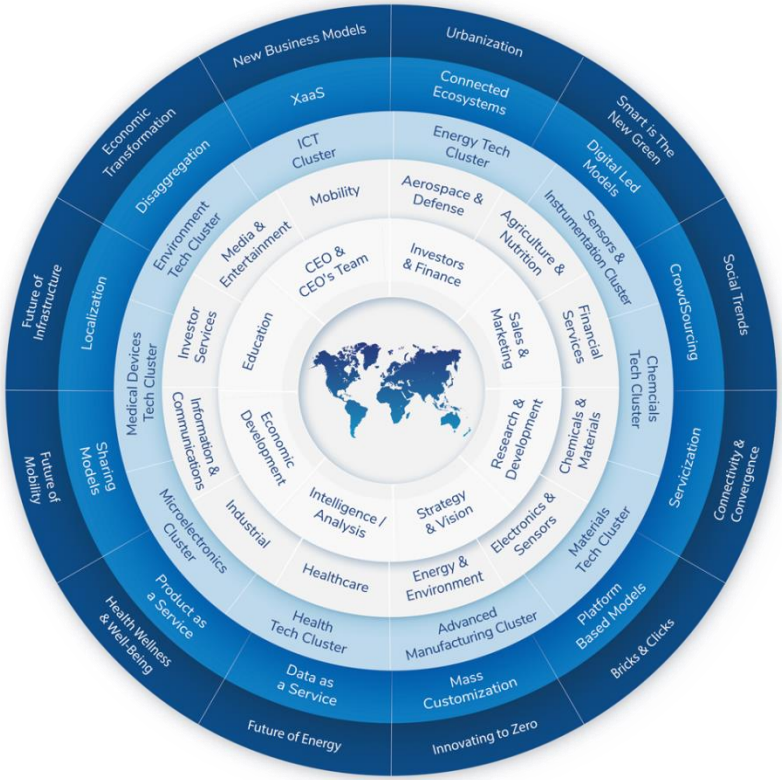
Q40. How important are the following capabilities for your room-based video conferencing devices? - Multi-vendor interoperability N=545

Source: Frost & Sullivan Annual ITDM Survey on Investment Priorities, 2023

Appendix

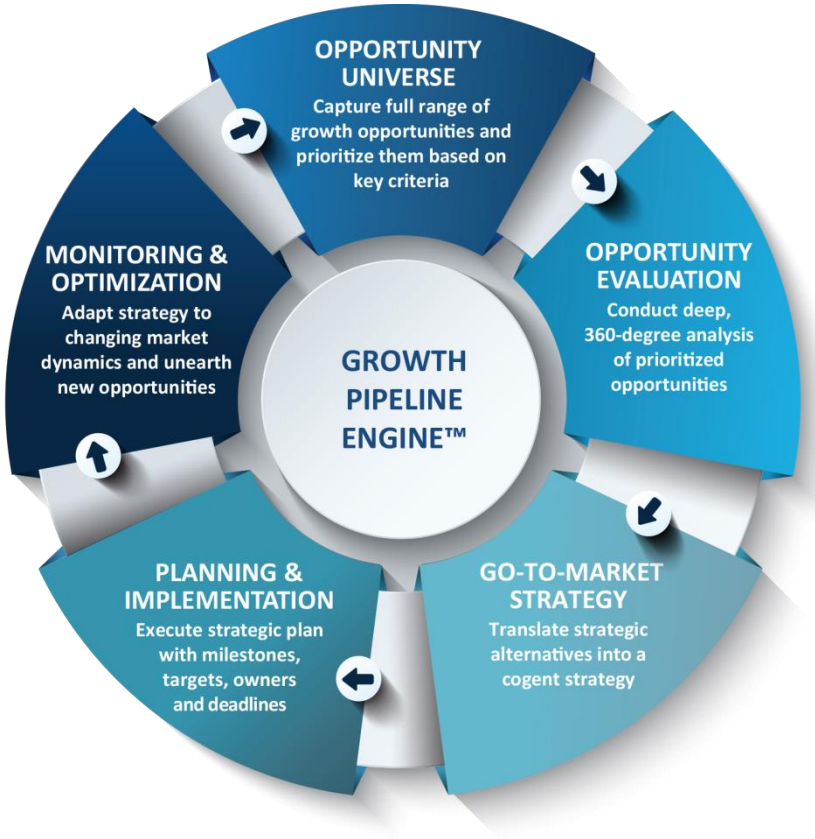
Growth Opportunities Fuel the Growth Pipeline Engine™

The Innovation Generator™



Analytical Perspectives

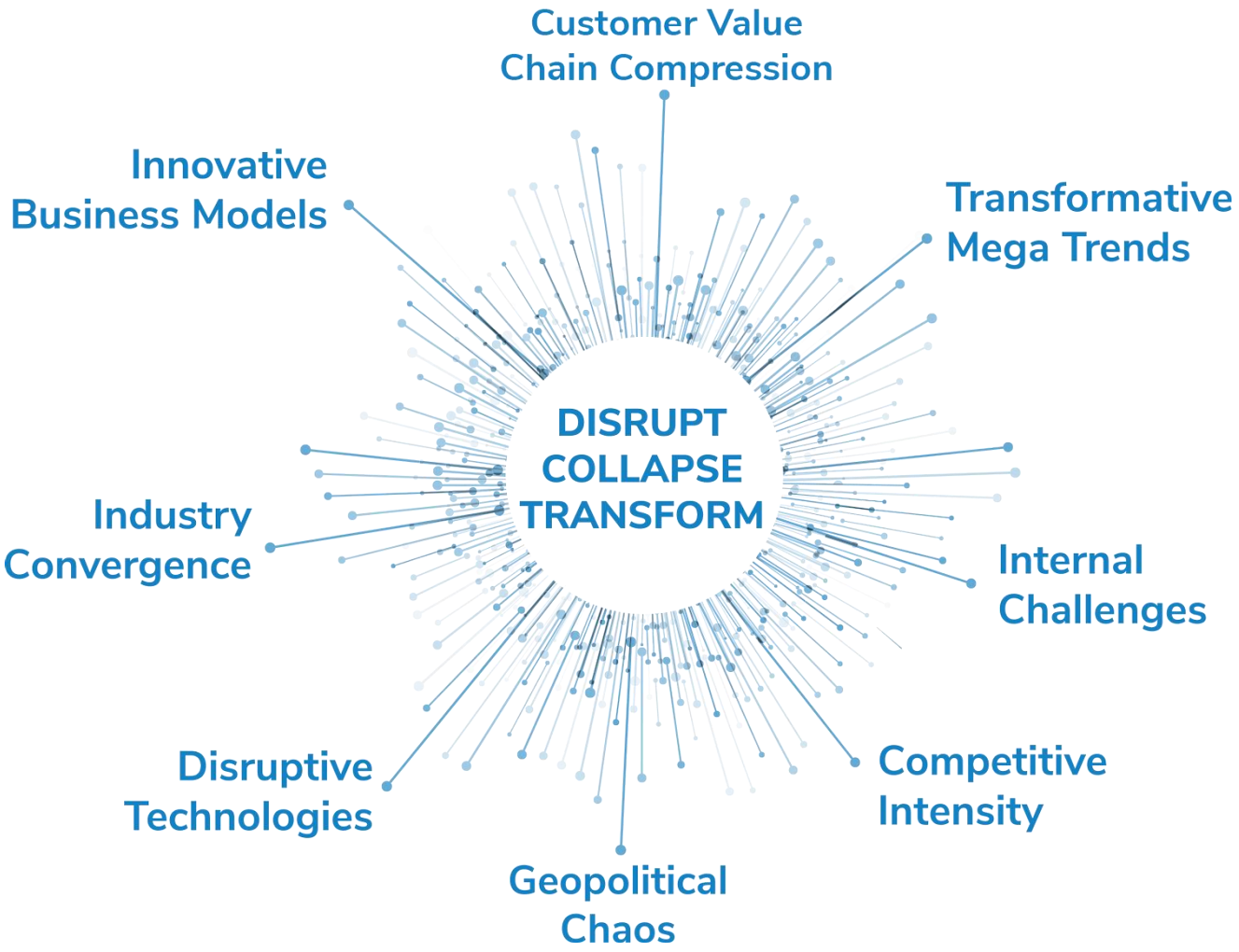
The Growth Pipeline Engine™


OPPORTUNITY UNIVERSE
Capture full range of growth opportunities and prioritize them based on key criteria
OPPORTUNITY EVALUATION
Conduct deep, 360-degree analysis of prioritized opportunities
GO-TO-MARKET STRATEGY
Translate strategic alternatives into a cogent strategy
PLANNING & IMPLEMENTATION
Execute strategic plan with milestones, targets, owners and deadlines
MONITORING & OPTIMIZATION
Adapt strategy to changing market dynamics and unearth new opportunities
GROWTH PIPELINE ENGINE™

Source: Frost & Sullivan

Why is it Increasingly Difficult to Grow?

The Strategic Imperative 8™: Factors Creating Pressure on Growth



Source: Frost & Sullivan

The Strategic Imperative 8™

Innovative Business Models	Customer Value Chain Compression	Transformative Mega Trends	Internal Challenges
A new revenue model that defines how a company creates and capitalizes economic value, typically impacting its value proposition, product offering, operational strategies, and brand positioning	Customer value chain compression as a result of advanced technologies, internet platforms, and other direct-to-consumer models that enables reduction in friction and the number of steps in customer journeys	Global forces that define the future world with their far-reaching impact on business, societies, economies, cultures, and personal lives	The internal organizational behaviors that prevent a company from making required changes

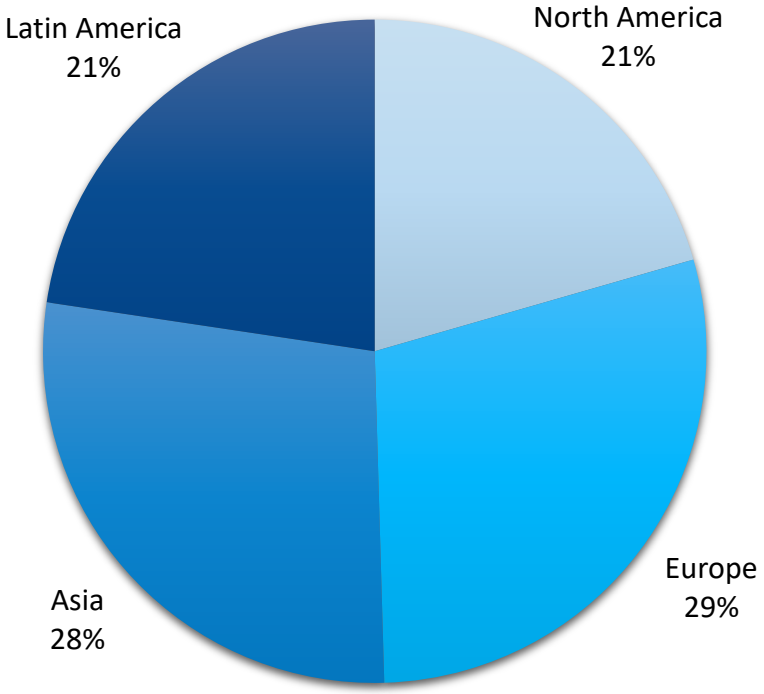
Competitive Intensity	Geopolitical Chaos	Disruptive Technologies	Industry Convergence
A new wave of competition from start-ups and digital business models that challenge the standing conventions of the past, compelling established industries to re-think their competitive stance	Chaos and disorder arising from political discord, natural calamities, pandemics, and social unrest that impact global trade, collaboration, and business security	New, disruptive technologies that are displacing the old, and significantly altering the way consumers, industries, or businesses operate	Collaboration between previously disparate industries to deliver on whitespace cross-industry growth opportunities

Source: Frost & Sullivan

Respondent Demographics for IT Decision-Makers Survey

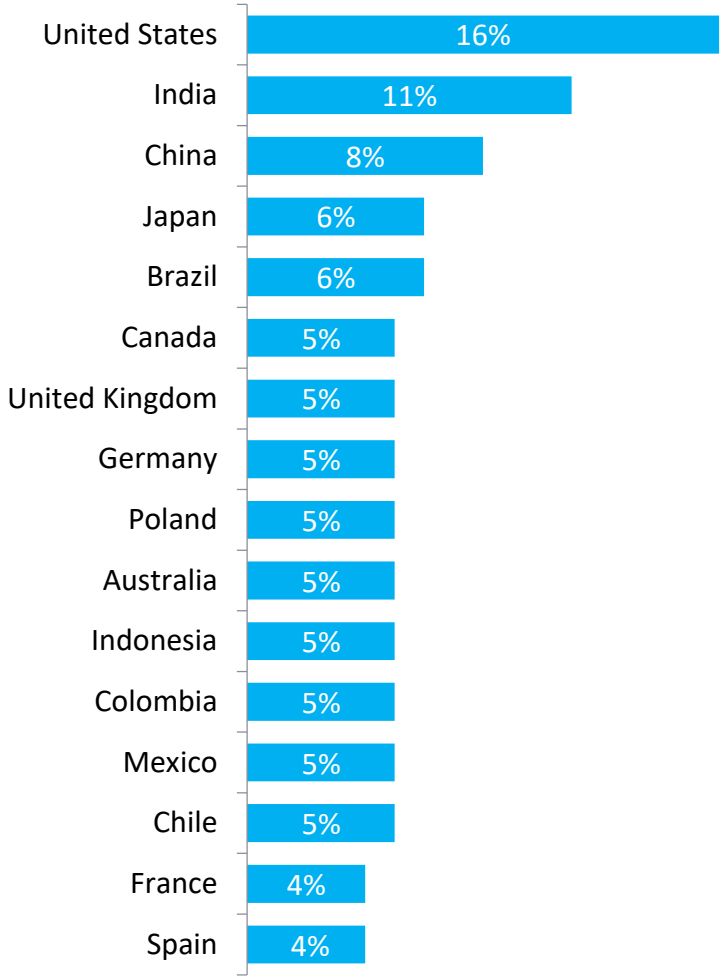
Respondent Demographics for Frost & Sullivan's 2023 ITDM Survey

ITDM Survey Respondents by Region, Global, 2023



S1. Respondent demographics by region. N=1,252

ITDM Survey Respondents by Country, Global, 2023

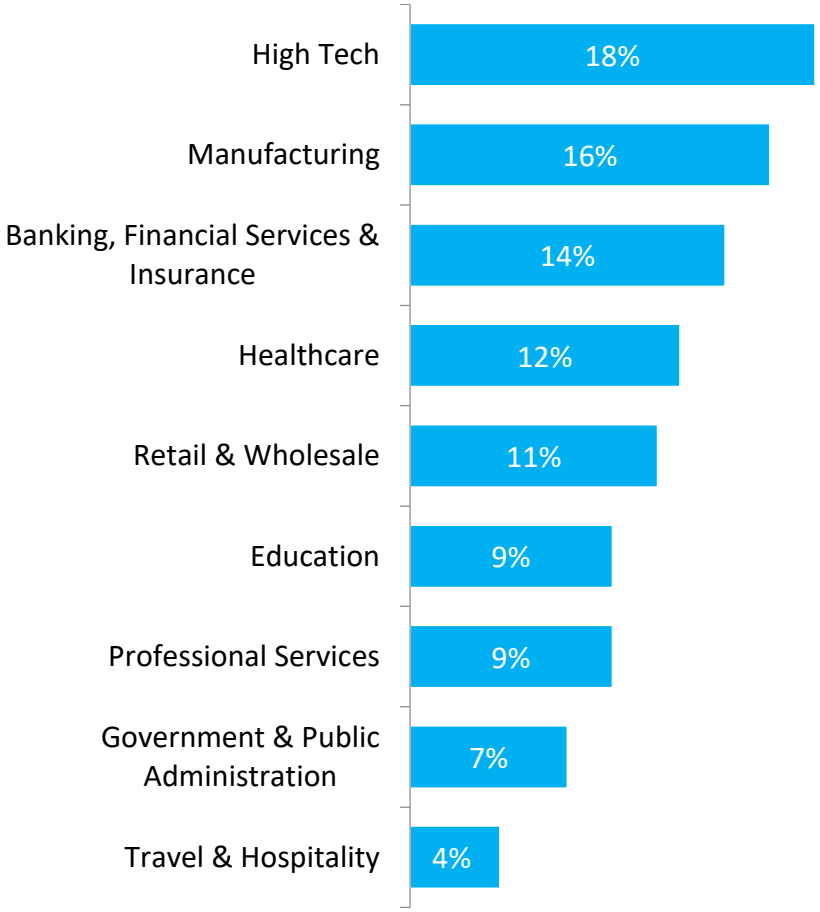


S1. In which country are you based? N=1,252

Source: Frost & Sullivan

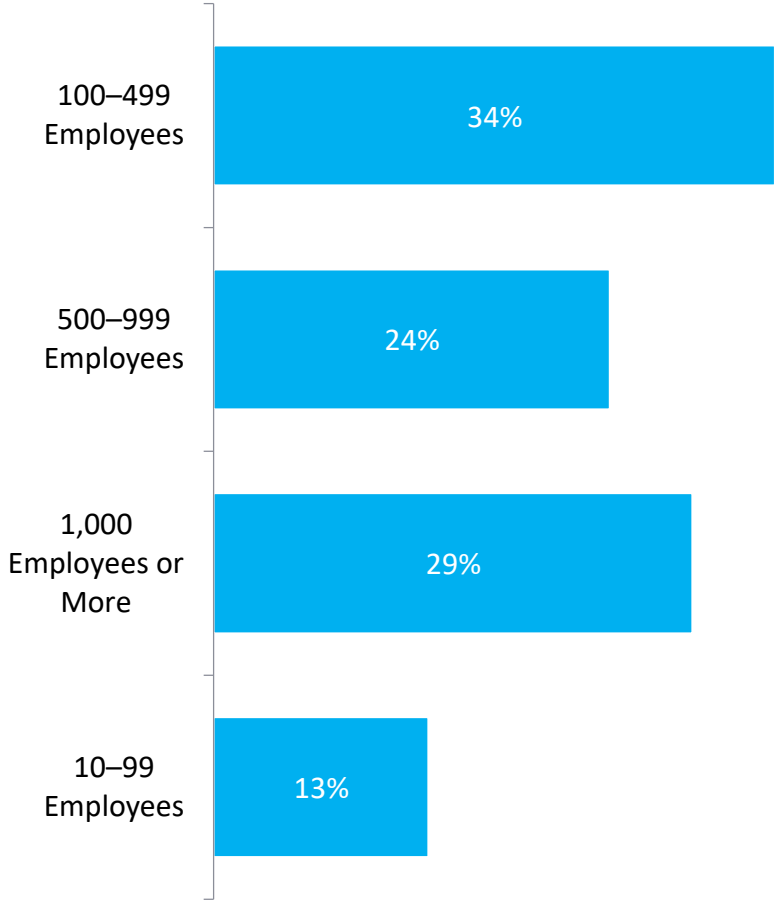
Respondent Demographics for Frost & Sullivan's 2023 ITDM Survey (continued)

ITDM Survey Respondents by Industry Sector, Global, 2023



S1. Respondent demographics by industry. N=1,252

ITDM Survey Respondents by Size of Organization, Global, 2023



S1. Respondent demographics by size of organization. N=1,252

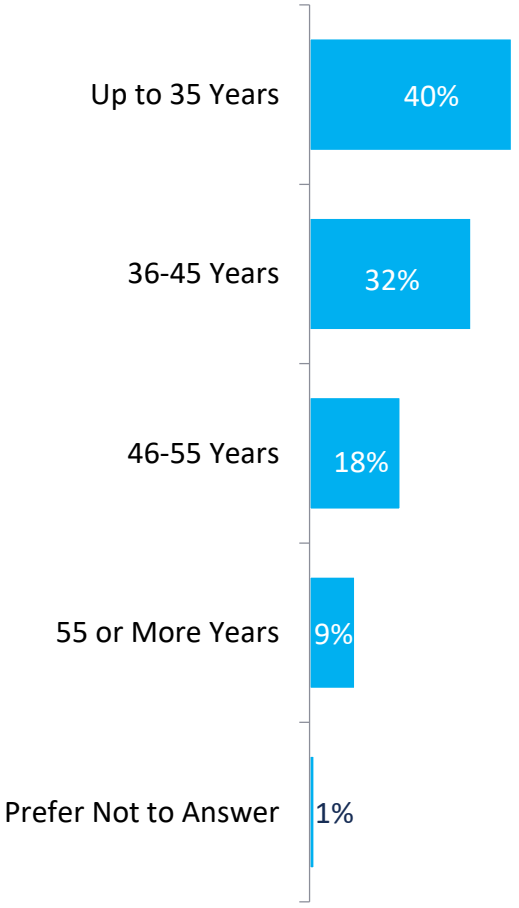
Source: Frost & Sullivan

Respondent Demographics for Frost & Sullivan's 2023 ITDM Survey (continued)

ITDM Survey Respondents by Department, Global, 2023

Q54. In which part of the organization do you work? N=1,252

ITDM Survey Respondents by Age, Global, 2023

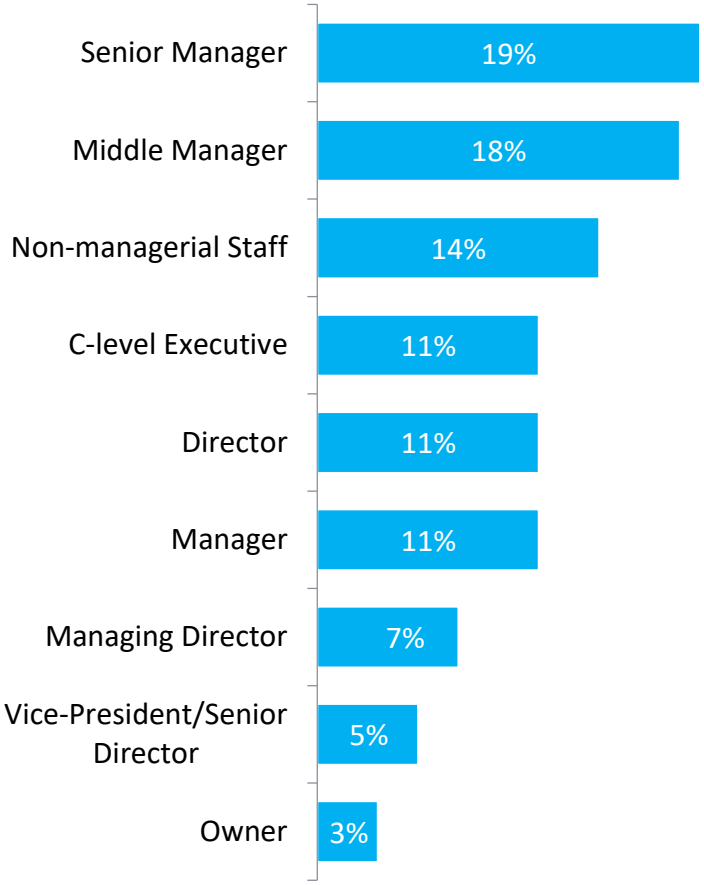


Q57. What is your age? N=1,252

Source: Frost & Sullivan

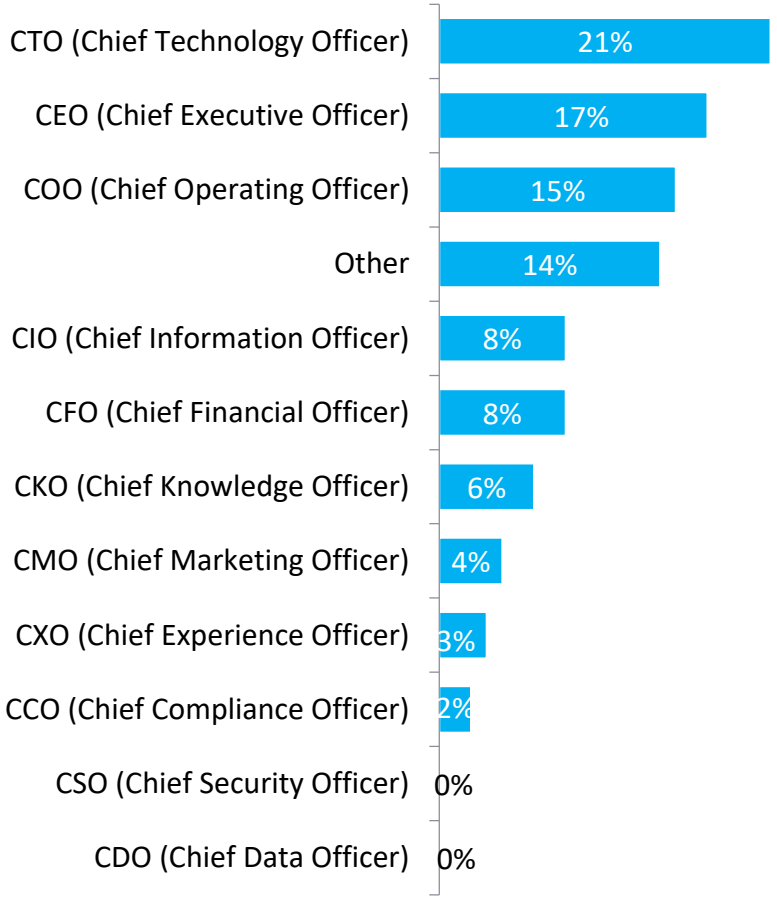
Respondent Demographics for Frost & Sullivan's 2023 ITDM Survey (continued)

ITDM Survey Respondents by Position, Total, Global, 2023



Q55. Which of the following most closely represents your position within your organization? N=1,252

ITDM Survey Respondents by C-level Position, Global, 2023



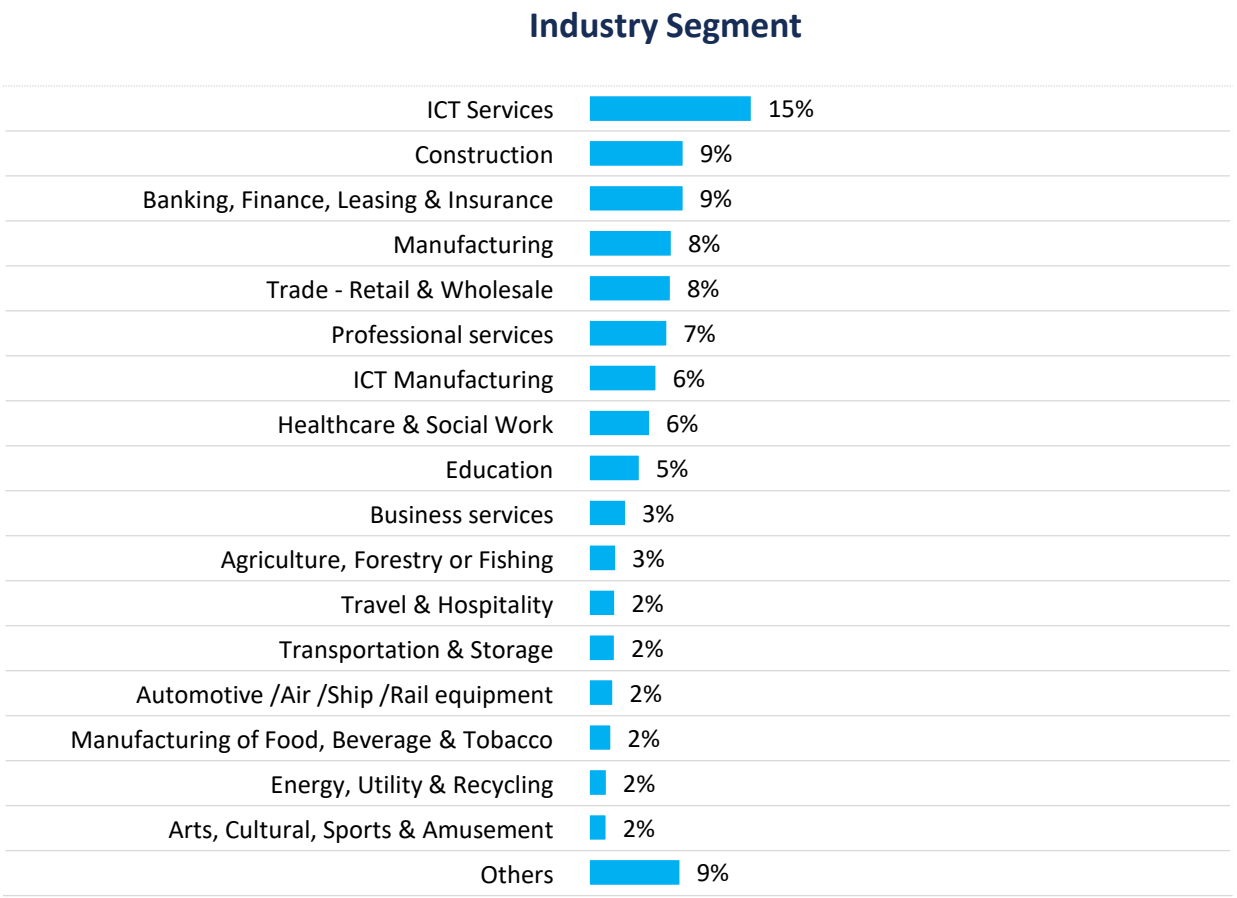
Q56. Which C-level position do you hold? N=143

Source: Frost & Sullivan

Respondent Demographics for the Remote Work Survey

Organization Profile for the 2023 Remote Work Survey*—Industry Segment

Organizations represent over 20 industry segments. The most common are ICT services, Construction, Banking and financial services, Manufacturing and Trade (retail and wholesale).


Industry Segment
ICT Services 15%
Construction 9%
Banking, Finance, Leasing & Insurance 9%
Manufacturing 8%
Trade - Retail & Wholesale 8%
Professional services 7%
ICT Manufacturing 6%
Healthcare & Social Work 6%
Education 5%
Business services 3%
Agriculture, Forestry or Fishing 3%
Travel & Hospitality 2%
Transportation & Storage 2%
Automotive /Air /Ship /Rail equipment 2%
Manufacturing of Food, Beverage & Tobacco 2%
Energy, Utility & Recycling 2%
Arts, Cultural, Sports & Amusement 2%
Others 9%

*Sponsored by GoTo
Base: All respondents (n=1,000)
Please note: As other we show all categories selected by less than 2% of respondents.
S2. Which of the following industry sectors best describes your organization?

Source: Frost & Sullivan

Organization Profile for the 2023 Remote Work Survey*—Size of Organization

We interviewed organizations of different sizes. We have set quotas on number of employees.

Number of Employees			Share of knowledge-based Employees	Average Number of KBEs
1 to 9	Terminated in 2023		8%	Not in Current Survey
10 to 49	20%	n=200	25%	**23**
50 to 99	20%	n=200	22%	**56**
100 to 249	20%	n=200	18%	**127**
250 to 499	20%	n=200	15%	**270**
500 to 999	20%	n=200	12%	**519**

*Sponsored by GoTo

Base: All respondents (n=1,000) Please note: We only accepted organizations with between 10 and 999 knowledge-based employees.

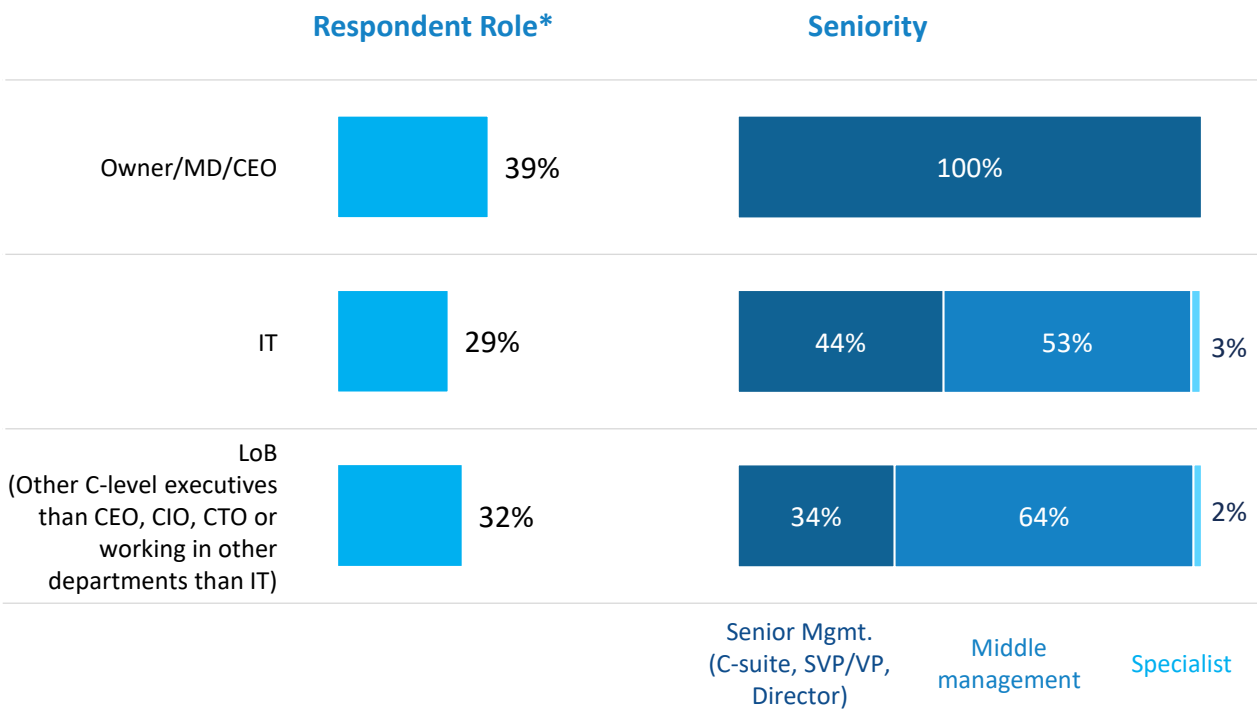
S3.How many employees does your organization have? Please provide a number of FTE (full-time equivalent).

S4.How many knowledge-based employees does your organization have? Please provide a number of FTE (full-time equivalent)

Source: Frost & Sullivan

Respondent Profile for the 2023 Remote Work Survey*—Respondent Role

Respondents interviewed were classified into 3 categories – owners/MDs/CEOs, IT and LoB. Majority of respondents holds a senior managerial position – of Director or higher.



Top Departments (base all LoBs):
Operations (21%)
Administration/Management (11%)
Finance (8%)

*Sponsored by GoTo
Base: All respondents (n=1,000)
*Please note: Distribution between roles is based on sample distribution agreed.
Group. Respondent Classification. S5. Which of the following most closely represents your position within your organization?
S6. Which C-level position do you hold? S7. Which functional area or department do you work in or belong to?

Source: Frost & Sullivan

List of Exhibits

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